



**SINTERCOM**  
India Ltd.



# SHAPING SUSTAINABLE GROWTH

ANNUAL REPORT 2021-2022



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# CORPORATE INFORMATION



## Board of Directors

Mr. Hari Nair	Chairman, Non-Executive Director	DIN: 00471889
Mr. Jignesh Raval	Managing Director	DIN: 01591000
Mr. Bernd Badurek	Non-Executive Director	DIN: 09143201
Mr. Madan Godse	Independent Director	DIN: 06987767
Ms. Madhavi Pandrangi	Independent Director	DIN: 08841155
Mr. Dara Kalyaniwala	Independent Director	DIN: 03311200

## Key Managerial Personnel

Mr. Pankaj Bhatawadekar	Chief Financial Officer
Ms. Anuja Joshi	Company Secretary & Compliance Officer

## Auditor

M/s. Kirtane & Pandit LLP,  
Chartered Accountants

## Secretarial Auditor

M/s. Kanj & Co. LLP,  
Company Secretaries

## Registered Office

Sintercom India Limited.  
Gat No 127, At post Mangrul  
Taluka Maval, Talegaon Dabhade,  
Pune-410507, Maharashtra, India  
CIN: L29299PN2007PLC129627  
Contact No: +91 20 4852 2679  
Website: www.sintercom.co.in

## Registrar & Transfer Agent

Link Intime India Pvt. Ltd.  
Block No. 202, Akshay Complex,  
Near Ganesh Temple,  
Off Dhole Patil Road, Pune - 411001  
Phone: +91 20 26160084  
Email:- pune@linkintime.co.in

## Banker

HDFC Bank Limited, Pune

## COMPOSITION OF COMMITTEE

### Audit Committee

Directors	Status in Committee	Nature of Directorship
Ms. Madhavi Pandrangi	Chairperson	Independent Director
Mr. Madan Godse	Member	Independent Director
Mr. Jignesh Raval	Member	Managing Director

### Nomination and Remuneration Committee

Directors	Status in Committee	Nature of Directorship
Mr. Dara Kalyaniwala	Chairperson	Independent Director
Mr. Bernd Badurek	Member	Non- Executive Director
Mr. Madan Godse	Member	Independent Director

### Stakeholders Relationship Committee

Directors	Status in Committee	Nature of Directorship
Mr. Hari Nair	Chairperson	Chairman, Non-Executive Director
Mr. Jignesh Raval	Member	Managing Director
Mr. Dara Kalyaniwala	Member	Independent Director

### Corporate Social Responsibility Committee

Directors	Status in Committee	Nature of Directorship
Ms. Madhavi Pandrangi	Chairperson	Independent Director
Mr. Jignesh Raval	Member	Managing Director
Mr. Hari Nair	Member	Chairman, Non-Executive Director
Mr. Bernd Badurek	Member	Non-Executive Director





## TEAM SINTERCOM

Sintercom India Limited is one of the leading automotive sintered components manufacturer located in Pune, India.

- The Company specializes in manufacturing medium to high-density sintered components for automotive engines, powertrain, and exhaust systems and also manufactures sensor components that cater to global markets.
- The product portfolio includes drivetrain gears, engine sprockets, pulleys, crankshaft bearing journals, transmission gears, and synchro hubs, as well as ABS rings and Sensor Hego bosses and flanges.
- Sintercom provides its esteemed customers with high-volume, high-precision, and low-cost components, tailored to their specific requirements.

This is ensured by leveraging the integrated manufacturing facility adhering to rigorous quality standards

- The company entered into a strategic tie-up with Miba Sinter with a Joint Venture and technology transfer agreement in 2011, and Miba also invested in Sintercom to become a co-promoter by taking around 26% stake in the company in 2011.
- Together with the technology leader Miba, the company is able to provide their customers with even more competitive solutions with powder metal.
- Sintercom caters to OEMs like Maruti Suzuki Limited, Mahindra & Mahindra Limited, Bajaj Auto Limited, and Fiat India Automobiles Private Limited and the company is a single-source supplier for various products as well.
- An in-house dedicated Research & Development team develops new products used in various applications of engine, transmission, and body chassis for various automotive OEMs and Tier-1 customers

# OUR STRENGTHS



Attractive Industry Sector with growing opportunities

1.



Seasoned Management Team and the Board of Directors

2.



Wide Product Range and Customised Product Offering

3.



Proved Track Record of our Technology Partner

4.



Client Retention and Long Standing Relationships with OEM's

5.



Strategic Location of Manufacturing Facility

6.



Technology Driven and Focused Company

7.



Strong Positions with Key OEM Customers

8.





## OUR VISION

Our Vision is to be a global leader in sintering business by providing innovative technology solutions and increase sintered components up to 10kgs per vehicle for better efficiency.





Our Mission is to improve awareness about the sintering technology in Indian manufacturing industries and to improve material yield using sintering technology.



**OUR  
MISSION**

## 2007

Incorporated as a joint venture between BRN industries and Maxtech Manufacturing Inc. as Maxtech Sintered Product Private Limited

## 2010

Commencement of commercial production

## 2011

Established a Joint Venture with the Miba Sinter Holding for Equity and Technology transfer

## 2015

Received an appreciation from Maruti Suzuki India Limited for superior performance in the field of Design and Development

## 2016

Received Certificate of Appreciation from Bajaj Auto Limited, 15th Manager Kaizen Competition



# MILESTONES

## 2018

The company got listed on NSE Emerge

## 2019

Appreciation from Maruti for VAVE & received Make in India Award

## 2020

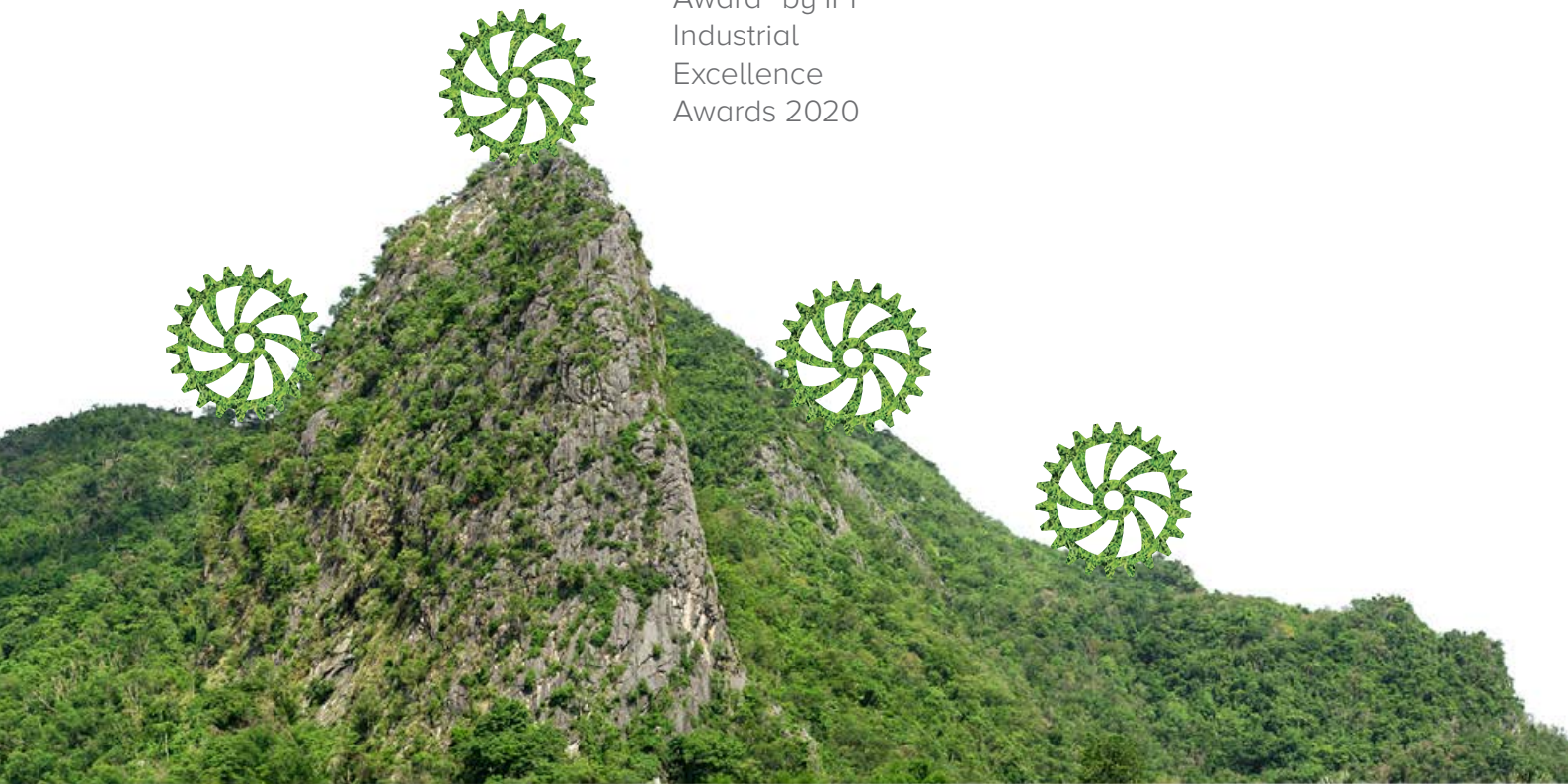
Managing Director Mr. Jignesh Raval has won "Male Entrepreneur of the Year Award" by IPF Industrial Excellence Awards 2020

## 2021

Successfully developed zero backlash gear

## 2022

Developed Mass Balancer Assembly and Gears for global supplies



# KEY CLIENTELE



## OEM Clients


## TIER 1




## BUSINESS

# PORTFOLIO



### Sintering Technology

Sintering is a heat treatment commonly used to increase the strength and structural integrity of a given material. The temperature used for sintering is below the melting point of the major constituent of the Powder Metallurgy material. After compaction, the neighboring powder particles are held together by cold welds, which give the compact sufficient “green strength” to be handled. At sintering temperature, diffusion processes cause necks to form and grow at these contact points by which a powder compact is transformed to a strong, dense ceramic body upon heating.

It is different from the traditional metal forming processes wherein a solid mass of raw material is shaped into a final shape using chipping, pressing, heating and melting. At the start of the sintering process, highly complex tools are used to compress metal powder mixes.

Compared with other production processes, sinter technology allows maximum material utilization with the

lowest possible energy use. Whether in engines, transmissions, steering systems or for electrification – the properties of sintered components make them ideal for high-quality mechanical components and for systems. The porous spaces between the material’s particles are minimized during the sintering process as the material is squeezed together under high temperature and pressure.

### Product Portfolio

Sintercom has been providing superior quality products, engineered with precision.

The product portfolio of our company includes the components for Engine, Transmission and Body/ Chassis. We are manufacturing sintered auto components with the help of powder metallurgy process, using sintering.



## Engine

The engine product portfolio includes engine drive gears, chain sprockets, belt pulleys, and engine shaft bearing caps for engines ranging from 10 to 120 hp.

These are manufactured using high compressible metal powders and a multi-stage sintering process including specific heat treatments for superior strength and wear resistance.

### Products

Bearing Cap, Cam to Cam Back Lash Gears, Chain Sprockets, Belt Pullys, Mass Balancer Assembly.



## Transmission



Through the technology and engineering process, the company can produce highprecision sintered components for transmissions to replace high strength forged components.

These components provide superior value for leading automotive customers through better performance and reduction in weight of the drivetrain.

### Products

Synchroniser Hubs, Interlock Finger, Drive Train Gears, Synchro Ring.



## Body/Chassis

The company is one of the leading manufacturers of stainless-steel sintered parts for the automotive sector in India. We manufacture exhaust systems, sensor bosses, and sensor parts, such as ABS rings, for a wide range of vehicles. With powder metal, it is possible to contour and mold angles without the use of costly secondary machining procedures. Almost no material is wasted when creating these designs.

### Products

Oxygen Sensor Boss, Flange Type Sensor Boss





## Industrial Goods Segments

We are happy to announce that with the experience in sintering process, we are catering to the need for the industrial goods segment as well. Sintering technology facilitates lighter and more efficient solutions. The application of powder metal for parts requiring both geometric complexity and economy is ideal

### Products

Liquid Dispensing Metering Parts, Synchro Rings



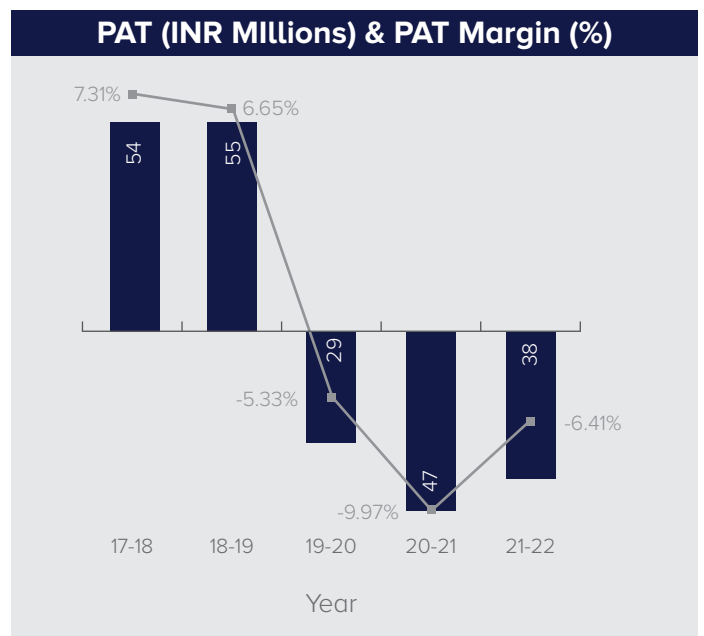
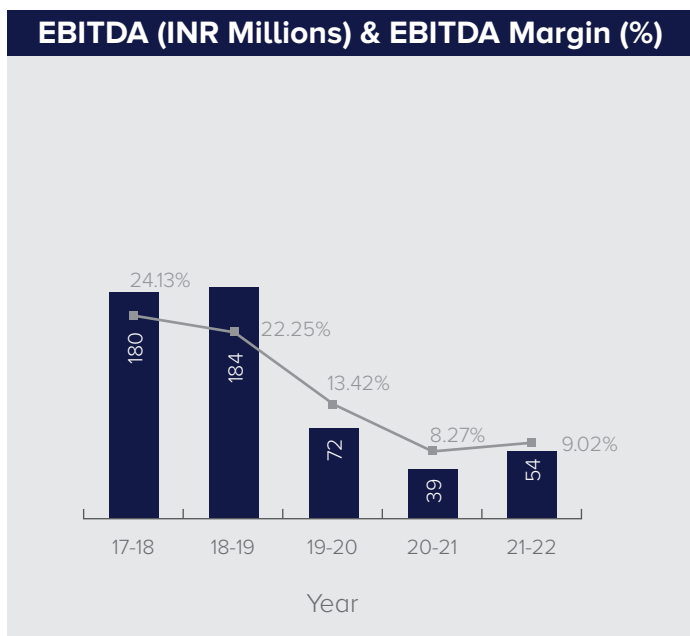
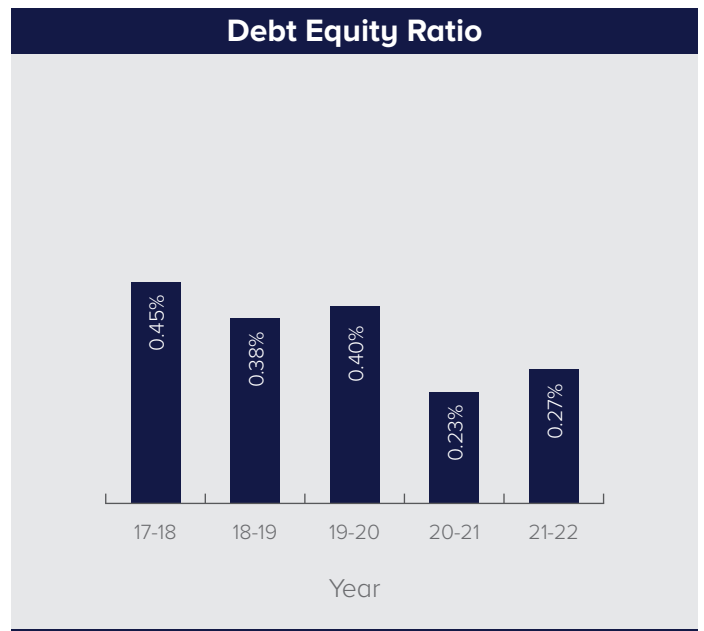
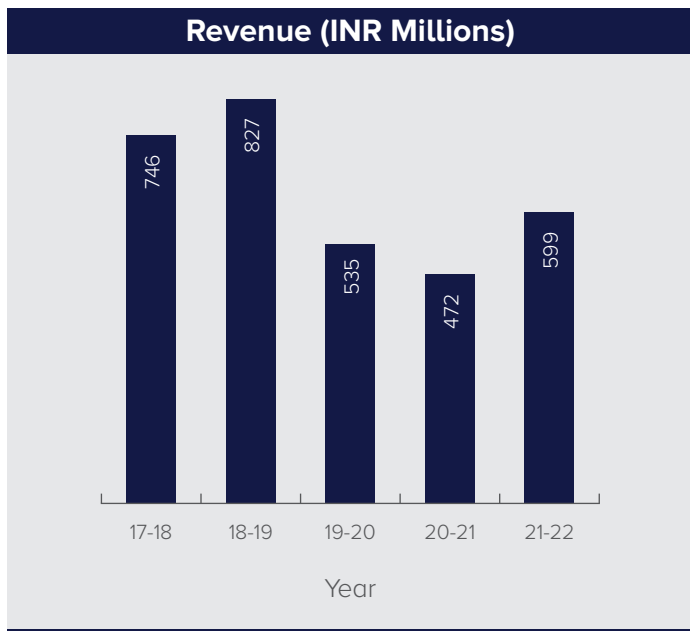
## Growing with the time - Electric Vehicle

We are currently in the development stage of manufacturing parts needed for an electric vehicle. We also offers soft magnetic composite components (SMC) and assemblies for modern electric motor applications, as well as powder metal components for sensors. We can provide solutions for every sector, from parts for vehicle electrification to manufacture of parts for fully electric vehicles.

### Products

Electric Power Steering, Soft Magnetic Compositer

# FINANCIAL HIGHLIGHTS





## BRIEF PROFILE OF THE DIRECTORS



### **Hari Nair** – Chairman, Non-Executive Director

Mr. Hari Nair is the Non-Executive Director and Chairman of our Company. Mr. Nair has been on the Board of Directors of our Company since September, 2015. Mr. Nair holds a Bachelor of Science in Engineering from Bradley University, a master's in business administration from the University of Notre Dame and completed the Advanced Management Program at Harvard Business School. Mr. Nair has over 3 decades of work experience in the automotive and commercial vehicle industry. Previously, Mr. Nair has served as the Chief Operating Officer of Tenneco Inc., a global automotive supplier, from 2010 until his retirement in early 2015. Prior to being appointed Chief Operating Officer, Mr. Nair was President of Tenneco's International Group, where Mr. Nair was responsible for managing operations in Europe, Africa, Middle East, South America, Asia and Australia. Mr. Nair offers the board with extensive manufacturing experience, global business experience, strategic planning and executive leadership skills.

### **Jignesh Raval** - Managing Director

Mr. Jignesh Raval is the Promoter and Managing Director of our Company. Mr. Raval has been on the Board of Directors of our Company since June, 2007. Mr. Raval holds a degree in Bachelor of Engineering (Production) from Shivaji University. Mr. Raval has around 20+ years of work experience in the automotive industry which includes 9 years of work experience at Tenneco Automotive India Private Limited as an Executive Director-GSCM. Mr. Raval is currently responsible for developing and executing the Company's business strategies and overseeing the Company's financial performance, investments and other business ventures.

### **Bernd Badurek** - Non-Executive Director

Mr. Bernd Badurek is a Non-Executive Director of our Company. Mr. Badurek is a member of the executive committee of Miba AG and Managing Director & Chief Sales Officer of Miba Sinter Group. Mr. Badurek has more than 20 years of international experience in Corporate Strategy, Global Business Development, Sales, Leadership, Operational Excellence and marketing. Mr. Badurek holds a university degree in business administration from Institut für Management GmbH.

### **Madan Godse** - Independent Director

Mr. Madan Godse is an Independent Director of our Company. Mr. Godse has been on Board of our Company since November, 2017. Mr. Godse holds master's degree in commerce from University of Poona and a master 's degree in arts from Tilak Maharashtra University. Mr. Godse holds membership from the Institute of Company Secretaries of India. Mr. Godse further obtained bachelor 's degree in law from University of Pune and has been enrolled with Bar Council of Maharashtra & Goa. Mr. Godse has over 30 years of work experience in secretarial compliance and law. Mr. Godse has been associated with Cummins India Limited and its subsidiary Cummins Diesel Sales and Service (India) Limited as from November, 1984 to September, 2005 as Company Secretary, Head of Legal Department and subsequently as Vice President – Legal and Company Secretary. Mr. Godse is a practicing advocate and regularly appears before National Company Law Tribunal, Mumbai.

### **Dara Kalyaniwala** – Independent Director

Mr. Dara Kalyaniwala joined as an Independent Director. Mr. Kalyaniwala has worked as Deputy General Manager Corporate Finance & Taxation with Grindwell Norton Limited, Mumbai for a decade. Mr. Kalyaniwala has 27 years' experience in Equity Capital Market, consulted various companies in formulating Business Strategies and managed M&A's, Buybacks, Takeovers & Delisting. Mr. Kalyaniwala worked as Head- Investment Banking with PL Capital Markets Private Limited (Prabhudas Lilladher Group), Mumbai- as an employee from January 2008 to April 2016 and as a contracted professional from April 2016 till date. Mr. Kalyaniwala is also a visiting faculty at the Institute of Chartered Accountants of India, The Institute of Company Secretaries of India; ICFAI Institute, National Institute of Capital Markets, Indo-German Training Institute, and some Trade Organizations.

### **Madhavi Pandrangi** – Independent Director

Ms. Madhavi Pandrangi is the member of The Institute of Chartered Accountants of India. Ms. Pandrangi has over 20 years of work experience in valuation and business advisory. Ms. Pandrangi was a Director in the Valuation team at PwC for around 15 years. Prior to PwC Ms. Pandrangi was the financial advisory services team in Deloitte, specializing in valuation and deals. A Chartered Accountant and also Certified Public Accountancy from State of Colorado & Certified Information Systems Audit, currently practicing professional advising clients on various fields.



*Sintercom is delivering innovative solutions to our customers that support their top priorities including energy efficiency and sustainability.*



## THOUGHTS FROM **THE CHAIRMAN**

**Hari Nair, Chairman**



### **Dear Shareholders,**

Our most recent fiscal period marked yet another year of extraordinary events during which the world continued to remain under the grip of successive waves of the pandemic. It was further characterised by unexpected supply chain challenges, aggravated by adverse geopolitical situations towards the end of the year. Commodity prices shot up and supply chain pressures, began to rise again. The surge in global commodity prices has exacerbated inflationary pressures across all economies alike, causing a sharp upward revision in inflation projections. India was also severely impacted, where rising inflation continues to be a cause for concern. Despite inflationary pressures weighing on real growth forecasts, the Indian economy continues to rank among the fastest growing economies of the world. However, the threat from Omicron, supply chain disruptions, and an overall subdued sentiment had a broader adverse impact on all industry segments.

Despite a volatile environment, I am extremely proud of what Sintercom was able to accomplish. Our foundational strength and the agility of our operating model, coupled with the unparalleled commitment and support of a resilient workforce, allowed us to finish the year with improved year over year performance. We have strengthened our business model by

business model by focusing on cost and Capex as well as ensuring risk mitigation by ensuring good health and safety of our teams.

In that spirit, we continued our sustained efforts towards making Sintercom the safest place to work in. We achieved 100% vaccination (with both doses) for our entire staff. We also undertook vaccination activities in surrounding communities for their well-being.

The Indian economy is on track to recover to pre-pandemic GDP levels as India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong fundamentals. The introduction of the Production Linked Incentive (PLI) plan, massive infrastructure boosts - both physical and digital, as well as steps to minimise transaction costs and increased ease of doing business— will all help to further support the economy's recovery. As per the economic survey report, the per day road construction grew by 30.4% during the period from 2019 to 2021, which indicates a continued emphasis by the Government on infrastructure development. Indicators of macroeconomic stability imply that the Indian economy is well positioned to meet the challenges of 2022-23. We, at Sintercom, are well prepared for strong growth in revenues and profitability.

With an absolute focus on driving value for our customers as well as shareholders, we are sharpening our focus on technology and innovation. We will continue to focus on newer and cleaner technologies for a sustainable future. We will continue to diversify and to target new segments of industrial goods, consumer goods and electric motors. We will also continue to strengthen our relationship with our technology partner Miba Sinter Austria to further develop our global strategy to identify and target incremental value creation opportunities.

We are very well positioned to combat the technological shift owing to a change in customer requirements, emerging market trends, and government regulations. Our customers are looking for innovative solutions for their products for the future and we will aim to become a one stop solution provider for all their technological requirements.

I remain very proud of the contribution of the entire talent pool we possess at Sintercom and I want to thank all my colleagues for their strong efforts and engagement.

In the coming years, we will continue to improve our technologies, processes and sustain our commitment towards 'optimal capital allocation' to provide best-in-class quality products to our customers to deliver sustainable profitable growth.

We at Sintercom truly appreciate the support we have received from all our valued stakeholders. With your support, we will step ahead to execute our strategic plans and focus on maximising value-creation. We are also fortunate to have the wealth of experience and strategic guidance provided by our Board members to support Sintercom through this challenging phase as we continue to deploy world class levels of Governance practices at our company.

We remain committed to engage with all our stakeholders to create superior value as we proceed on a very exciting journey together!

My best wishes to everyone to remain safe and healthy,

**Hari Nair**  
Chairman





MESSAGE FROM  
**THE MD'S DESK**

Jignesh Raval, Managing Director



“

*We are increasingly engaging with our customers in meeting their evolving needs and developing both our products and processes, aligned to their requirements.*



## To our Shareholders,

The fiscal year 2021-22 was a remarkable period of learning and delivering. The first quarter witnessed the second Covid-19 wave, which shook us personally and professionally followed by supply chain challenges in the second quarter and the tense geo-political developments and consequent elevated commodity prices.

I am pleased to share that Sintercom could deliver above market growth in terms of revenue during our last fiscal year due to several new business opportunity wins. The financial year 2022 ended with 599 million revenues at 8.7% EBITDA margin. It should be noted that we delivered steady improvements throughout the year and delivered ~12.4% EBITDA in the last quarter of FY22. The Company did incur an overall loss during the year due to the underutilization of installed capacity due to lower volumes driven by second wave of the pandemic combined with the supply chain issues, primarily of semiconductor chip shortages during the Q2FY22. This was offset by several costs saving initiatives to mitigate these issues during the year.

Our aim is to be responsive in every aspect of operations, sourcing, sales, and R&D. We are on track to lead the technological shift in national and international markets, while also adding scale, to support our growth initiatives.

FY 2021-22 was a mixed year for the Indian Automotive industry. The passenger car and commercial vehicle segments showed moderate growth, but the 2 & 3-Wheelers

markets continued to remain under stress owing to successive waves of the pandemic and the demand uncertainty in this segment. The passenger car segment was impacted by semi-conductor chip shortages, followed by geopolitical tensions and rising commodity prices. Nevertheless, the demand pipeline for passenger cars looks robust considering the long waiting list for cars at the consumer level.

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity. The Indian automotive industry is one of the key drivers of economic growth in India and contributes ~7.1% of the GDP. The government has opened several opportunities for companies in the auto-industry. Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. Some of the recent initiatives include roll out of Bharat NCAP (India's own safety assessment program), Atal Mission for Rejuvenation and Urban Transformation to name a few. As also laid down in the Union Budget for the 2022-23, more emphasis is placed on infrastructure development. National Highways would be expanded by 25,000 km in 2022-23 under the Prime Minister's Gati Shakti Plan. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy which in turn will open new opportunities to the various technological solution providers.



I take pride in informing that your Company has successfully developed and implemented a new Gear Rolling Technology to support new programs. We have received all necessary technical approvals from our customer and have started supplies to them since Q3 FY 22. With this, we have successfully localized the scissor gears in India which were previously imported and have this contributed to the Make in India mission as laid down by the Government. Further, we have also successfully started supplies FIP sprocket and is also expected to fully replace imports by Q1 FY23. Our efforts in exploring various global opportunities are heading in a positive direction and we have won business from a major global OEM and Sintercom will now be part of their global supply chain.

Our Company also continues to strengthen its relation with its investors and technology partner Miba Sinter Aurtria. During the year, the Company has completed the conversion of 1st tranche of compulsory convertible debentures (CCD's) into equity shares. Post this conversion, the holding of Miba Sinter Holding GmbH & CO KG (Miba) has reached to 27.98%. The balance of the CCD's to be converted by end of August 2022 as per the terms of the CCD agreement. On fully diluted basis, Miba will hold 30.57% of the expanded equity share capital.

The overall outlook for the next financial year remains strong mainly driven by strong demand for passenger vehicles. We will continue our approach towards diversification of our products into new market segments. We expect supplies for our products into industrial

goods and off highway segment to receive final approvals during the Q2 FY23.

Our idea of building our future with equal care for our planet and society, represents a vision that we strive to fulfill. We are increasingly engaging with our customers in meeting their evolving needs and developing both our products and processes, aligned to their requirements. We will also continue creating value in all our frontline operations and ensure we are on track towards achieving our sustainability targets.

We would like to acknowledge the efforts of our employees who have risen to the challenge of the global pandemic and its aftermath and have delivered results with sincere dedication. I sincerely thank the Chairperson and Board Members for their astute guidance and encouragement during these tough times. We thank our shareholders for their continued trust and support and are glad to share that the results are testimony to their confidence in us. I would also like to acknowledge our senior management team for their adaptability and resilience and their relentless efforts in helping drive our business forward towards achieving with our vision.

We stand committed to delivering sustainable growth and creating value for all our stakeholders.

**Jignesh Raval**

Managing Director

# AGM

## NOTICE



### AGENDA

Notice is hereby given that the 15th Annual General Meeting of the members of Sintercom India Limited ("the Company") will be held on Friday, 23rd September, 2022 at 5.00 pm (IST) through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM") to transact following business:

#### ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with Reports of Board of Directors and Auditors thereon and if thought fit, pass the following resolution as an Ordinary Resolution, with or without modification(s):**

**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted"

2. **To appoint Mr. Bernd Badurek (DIN 09143201), who retires by rotation as a director and being eligible, offer himself for re-appointment as a director and in this regard to consider and if thought fit, pass the following resolution as an Ordinary Resolution, with or without modification(s):**

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Bernd Badurek (DIN 09143201), who retires by rotation at this meeting, be and is hereby appointed as a Non Executive Non-Independent Director of the Company, liable to retire by rotation."

3. **To appoint M/s. Patki & Soman, Chartered Accountants as the Statutory Auditors of the Company for a term of 5 years from the conclusion of this Meeting and if thought fit, pass the following resolution as an Ordinary Resolution, with or without modification(s):**

**"RESOLVED THAT** in accordance with the provisions of Section 139, 141 and 142 of the Companies Act, 2013 and rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory amendment or modification or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee of the Board of Directors and the Board of Directors (hereinafter referred to as "Board"), M/s. Patki & Soman, Chartered Accountants (Firm Registration No. 107830W), be and are hereby appointed as the Statutory Auditor of the Company to hold office for a period of 5 (Five) years i.e. from the conclusion of this Meeting till the conclusion of the 20th Annual General Meeting of the Company, at a remuneration as recommended by the Board and the Audit Committee from time to time."

**By Order of the Board of Directors**

**Anuja Joshi**  
**Company Secretary & Compliance Officer**

Pune, 11th August, 2022

## EXPLANATORY STATEMENT

The following statement sets out all material facts relating to the businesses mentioned in this notice for the 15th Annual General Meeting of the Members of the Company:

### Agenda 3. Appoint M/s. Patki & Soman, Chartered Accountants as the Statutory Auditors of the Company

#### Present Auditors:

The Members of the Company had approved the re-appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants [ICAI Firm Registration Number 105215W], as the Statutory Auditors of the Company to hold office for a further period of five years i.e., from the conclusion of the 10th AGM [held on 26th September, 2017] until the conclusion of the 15th Annual General Meeting of the Company. M/s. Kirtane & Pandit LLP Chartered Accountants will complete their two consecutive terms of 5 years each at the conclusion of this AGM in terms of the aforesaid and Section 139 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and hence are not eligible for re-appointment pursuant to Section 139, 141(3)(g) and 144 of the Act.

#### Proposed Auditor:

Pursuant to the recommendation of the Audit Committee, the Board of Directors of the Company, recommended for the approval of the Members, the appointment of M/s. Patki & Soman, Chartered Accountants [Firm Registration Number: 107830W], as the Auditors of the Company for a period of 5 (Five) years i.e., from the conclusion of this Meeting till the conclusion of the 20th Annual General Meeting of the Company at a remuneration as recommended by the Board and the Audit Committee from time to time. While considering the candidature of M/s. Patki & Soman, Chartered Accountants, the Audit Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Patki & Soman Chartered Accountants, to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Patki & Soman Chartered Accountants is registered with ICAI (Firm Registration Number: 107830W):

- A) is primarily engaged in providing audit and assurance services to its clients;
- B) has a valid Peer Review certificate;
- C) has confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the proviso to Section 139(2) and Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014; and
- D) has provided its eligibility certificate(s) and consent to act as the Statutory Auditor.

None of the directors and/or key managerial personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed ordinary resolution.

The Board recommends the ordinary resolution with respect to the appointment of M/s. Patki & Soman Chartered Accountants, as the Statutory Auditors, as set out in item no. 3 of the notice, for approval of the shareholders.



## ANNEXURE A

### Details of the directors seeking appointment/ re-appointment (as set out in item no. 2 of this notice)

In terms of Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 1.2.5 of Secretarial Standards 2 on General Meetings (SS-2)

Name of Director	Mr. Bernd Badurek (DIN: 09143201)
Date of Birth	14-12-1974 (Age: 47)
Date of Appointment on current position	27-05-2021
Qualification	University degree in business administration
Expertise in Specific functional areas	He is a member of the executive committee of Miba AG and Managing Director & Chief Sales Officer of Miba Sinter Group. He has more than 20 years of international experience in sales and marketing. Please refer Company's website <a href="http://www.sintercom.co.in">www.sintercom.co.in</a> for detailed profile
Terms and Condition of appointment/ Reappointment	Non-Executive Director liable to retire by rotation
Details of remuneration last Drawn (FY 2021-22)	NIL
Details of Proposed remuneration	NIL
List of other Companies in which directorship is held as on 31st March, 2022	NIL
Chairperson/ Membership of the Statutory Committee(s) of Board of Directors of the Company as on 31st March, 2022 *	NIL
Chairperson /Member of the Committee(s) of Board of Directors of other Companies in which Director is a Member / Chairperson *	NIL
No. of Shares Held	NIL
Disclosure of relationship with Directors/ KMP's	NA
No of the Meetings of the Board attended during the year	5 (five)

\*In terms of the applicable provisions of the SEBI Listing Regulations, memberships and chairpersonship in committee only includes the Audit Committee and Stakeholders Relationship Committee in other public limited companies (including deemed public company), whether listed or not.

## NOTES FOR MEMBERS ATTENTION

### 1. Virtual Meeting

The Ministry of Corporate Affairs ("MCA") has vide its General Circular no. 2/2022 dated May 5, 2022\* permitted the holding of the Annual General Meeting ("AGM" or "Meeting"), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Members participating through the VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 ("Act").

Further, the Securities and Exchange Board of India ("SEBI") vide its Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022\*\* has granted further relaxations to ensure the AGM is conducted effectively. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

The deemed venue for the AGM will be the Registered Office of the Company. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

### 2. Electronic copy of Annual Report and Notice of the 15th Annual General Meeting

a) In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories.

b) Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.sintercom.co.in](http://www.sintercom.co.in), websites of the Stock Exchanges, i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

### 3. Register to receive communications electronically

Members who have not registered / updated their e-mail address or mobile number with the Company but wish to receive all communication (including Annual Report) from the Company electronically may register / update their e-mail and mobile numbers on by sending email on [investor@sintercom.co.in](mailto:investor@sintercom.co.in).

Members are also encouraged to register / update their e-mail addresses or mobile number with the relevant Depository Participant.

### 4. Proxy and Attendance

The AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM.

Since the AGM will be held through VC/OAVM, the route map of the venue of the AGM is not annexed thereto.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

### 5. Directors seeking appointment / re-appointment

Relevant details with respect of Directors seeking appointment / re-appointment at the AGM, in terms of Regulation 36 of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standards on General Meetings, are set out in Annexure A, which also form part of this Notice.

### 6. Authorised Representative

Institutional / Corporate Shareholders (i.e. other than individuals HUF, NRI. etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Sunil Nanal at [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com) with a copy marked to the Company Secretary at [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

### 7. Document open for inspection

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>. during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday 16th September, 2021 through email on [investor@sintercom.co.in](mailto:investor@sintercom.co.in). The same will be replied by the Company suitably.

## 8. E-voting

Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the Resolutions proposed to be passed at AGM, by electronic means.

The Company has engaged the services of NSDL to provide the remote e-voting facility and the e-voting system on the date of the AGM.

The Company has appointed Mr. Sunil Nanal (Membership No. F5977, C.P. No: 2809), Partner M/s. Kanj & Co. LLP, Practicing Company Secretaries (email id: [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com)) address: Aishwarya Sankul, Near Joshi Railway Museum Kothrud, Pune- 411038, to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting at the AGM) in a fair and transparent manner.

### Remote e-voting: Important Dates

<b>Cut-off date</b> (for determining the Members entitled to vote on the resolutions set forth in this notice)	Friday, 16th September, 2022	
Remote e-voting period (During this period, members of the Company as on the cutoff date may cast their vote by remote e-voting)	Commence from	9:00 a.m. IST, Monday, 19th September, 2022
	End at	5:00 p.m. IST, Thursday, 22nd September, 2022 (The remote e-voting module shall be disabled for voting thereafter by NSDL)
URL for remote e-voting	NSDL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> or <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> CDSL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a>	

### Remote e-voting: Procedure

#### I. Depository: For Individual Shareholders holding securities in demat mode

Step No.	For Shareholders holding securities with NSDL	For Shareholders holding securities with CDSL
<b>Registered User</b>		
1	The URL for users to login for NSDL IDeAS facility: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.	The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.
2	Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.	Login through their User Id and password.
3	After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.	After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
4	Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.	Click on e-Voting service provider name to cast your vote.
<b>First Time User</b>		
5	Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>	Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
<b>Alternative Method</b>		
6	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile.	The user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page.

7	Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.	SKIP
8	A new screen will open. You will have to enter your User ID (i.e. your sixteen (16) digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen.	SKIP
9	After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.	SKIP
10	Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.	The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

In case shareholders / members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL / CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## II. NSDL e-voting: Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode

Step No.	For first time user- NSDL e-voting and other than Individual shareholders	
1	The e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a personal computer or on a mobile.	
2	Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.	
3	A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.	
4	Your User ID details are given below:	
	<b>Manner of holding shares i.e. Demat (NSDL or CDSL)</b>	<b>Your User ID is:</b>
	a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
	b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
	Note: Total shareholding of the Company is in demat form, so the details required for physical shareholding is not mentioned.	

5	<p>Password details for shareholders other than Individual shareholders are given below:</p> <ol style="list-style-type: none"> <li>If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.</li> <li>If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.</li> <li>How to retrieve your 'initial password'? <ol style="list-style-type: none"> <li>If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.</li> <li>If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.</li> </ol> </li> </ol>
6	<p>If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:</p> <ol style="list-style-type: none"> <li>Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on <a href="http://www.evoting.nsd.com">www.evoting.nsd.com</a></li> <li>If you are still unable to get the password by aforesaid two options, you can send a request at <a href="mailto:evotingnsdl.co.in">evotingnsdl.co.in</a> mentioning your demat account number/folio number, your PAN, your name and your registered address etc.</li> <li>Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.</li> </ol>
7	After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8	Now, you will have to click on "Login" button.
9	After you click on the "Login" button, Home page of e-Voting will open

### III. E-voting during AGM

Step No.	E-voting during AGM
1	After successful login at as per the steps mentioned above in point I and II, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2	Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3	Now you are ready for e-Voting as the Voting page opens
4	Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted
5	Upon confirmation, the message "Vote cast successfully" will be displayed
6	You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7	Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### IV. E-voting – Important Instructions

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Shareholders / members holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



**V. Attending the AGM through NSDL platform:**

Step No.	For all the shareholders
1	Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system.
2	The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be provided with a facility to attend AGM through VC/OAVM through the NSDL e-Voting system which will open 30 minutes before the scheduled time of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3	After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
4	Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Note:

1. Members are encouraged to join the Meeting through Laptops for better experience.
2. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**9. Speaker registration for the AGM**

1. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (seven) days prior to meeting i.e. Thursday, 15th September, 2022 mentioning their name, demat account number / folio number, e-mail ID, mobile number at [investor@sintercom.co.in](mailto:investor@sintercom.co.in).
2. Only those shareholders who have registered themselves as a speaker will be allowed to express their views / ask questions during the Meeting.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Shareholders are requested to speak only when moderator of the Meeting / management will announce the name and serial number for speaking.
5. Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
6. Other shareholders may ask questions to the panellist, via active chat-board during the meeting.
7. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting i.e. Thursday, 15th September, 2022 mentioning their name, demat account number / folio number, e-mail ID, mobile number at [investor@sintercom.co.in](mailto:investor@sintercom.co.in). These queries will be replied to by the Company suitably by e-mail.

**10. Other information related to e-voting**

- a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. Friday, 16th September, 2022 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM.
- b. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- c. Members who have cast their vote by remote e-voting prior to the AGM will be entitled to attend the AGM and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. In case a member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.
- d. Voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, 16th September, 2022.
- e. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the FAQs and e-voting manual available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) (under help section) or write an e-mail to [investor@sintercom.co.in](mailto:investor@sintercom.co.in)
- f. Every client ID no. / folio no. will have one vote, irrespective of number of joint holders. However, in case the jointholders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.
- g. The members may also update their mobile number and e-mail ID in the user profile details of their respective client ID no. / folio no., which may be used for sending future communication(s).

**11. Other Information for Shareholders:**

- a. Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), Link Intime India Pvt. Ltd, Address at Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411001 (Phone No. 020-2616 1629/2616 0084; Fax No. 020-2616 3503; email id: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)) for reply to their queries/ redressal of complaints, if any, or contact Ms. Anuja Joshi at the registered office of the Company (Phone +91 20 4852 2679, Email: [investor@sintercom.co.in](mailto:investor@sintercom.co.in))
- b. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). *\*All the Shares of the Company are held in dematerialized form.*
- c. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

**12. General Instructions:**

- a. Shareholders / Members are encouraged to join the Meeting through Tablets / Laptops connected through broadband for better experience.
- b. Shareholders / Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- c. Please note that Shareholders / Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio / Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- d. At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow e-voting at the AGM.
- e. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty-eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- f. The results along with the consolidated Scrutinizer's Report shall be declared by means of:
  - (i) dissemination on the website of the Company i.e. [www.sintercom.co.in](http://www.sintercom.co.in) and
  - (ii) communication to National Stock Exchange of India Limited thereby enabling them to disseminate the same on their respective websites.

*\*General Circular no. 02/2022 dated May 5, 2022 read with General Circular no. 02/2021 dated January 13, 2021, General Circular no. 20/2020 dated May 5, 2020, General Circular no. 14/2020 dated April 8, 2020 and General Circular no. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars").*

*\*\*Circular no SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "SEBI Circulars").*



# BOARD OF DIRECTORS'

## REPORT



Dear Members,

Your Board of Directors is pleased to present the 15th Annual Report of Sintercom India Limited ("Sintercom" or "Company") together with the audited financial statements for the financial year ended on 31st March 2022. Further, in compliance with the Companies Act, 2013 the Company has made all requisite disclosures in the Board Report with the objective of accountability and transparency in its operations and to make you aware of the performance and future perspective.

### 1. Financial Results:

The Financial performance of the Company during the financial year ended 31st March 2022 as compared to the previous financial year is summarized in the following table:

(Figures in Rs.)

Particulars	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Net Revenue	598,881,326	471,986,697
Profit before Interest and depreciation	54,047,316	39,035,407
Finance Charges	28,839,975	38,658,586
Depreciation and amortization expense	70,780,871	62,300,253
Profit / (loss) before Taxation (PBT)	(45,573,530)	(61,923,431)
Tax adjustments	7,165,293	14,877,534
Balance of (Loss)/Profit brought forward	(38,408,237)	(47,045,896)
Total other comprehensive income	662,614	168,775
Balance available for appropriation	(37,745,623)	(46,877,121)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Amount carried to Balance Sheet	(37,745,623)	(46,877,121)

### 2. Operational Performance of the Company:

This year was full of challenges and new learnings for the Company, mainly due to COVID-19 second wave which affected the industry in Q1 FY22 in the month of May-2021 and first two weeks of June-2021, where mostly all the customers announced the shut down due to COVID-19 and secondly restriction on the use of industrial oxygen during the period by the government which negatively impacted the sales for the Q1FY22. Further, company also suffered loss of revenue during Q2FY 22 due to the global shortages of the semi conductor chips which disturbed the production at the customer level thereby adversely impacting schedules of the Company during Q2FY22. In spite of these challenging times, the company was able to register above market growth due to approval of the various new programs during the year.

The Company successfully developed and implemented gear rolling technology during the year. Your Company takes pride in mentioning that the Company is first mover of this technology in India and has successfully started supplies to one of the leading auto OEM.

During the period, your Company focused hard on cost optimization, employees training across all functions including the shop floor, a heightened focus on customers & new product development, converting fixed cost into variable cost and various cost restructuring exercise were carried out by your Company.

In the Financial year 2021-22, your Company has recorded net sales of Rs. 598.88 million as against Rs. 471.99 million in the previous year and thereby recorded an increase of 26.89% in net sales. For the financial year 2021-2022, the Company incurred a loss before tax of Rs. 45.57 million as against the loss of Rs. 61.92 million for the previous financial year. This was mainly due to the underutilization of the capacities due to lower volumes due to second wave of the pandemic combined with the supply chain issues of semi conductor chip shortages during the Q2FY22. The loss would have been higher but for the various costs saving initiatives taken by the Company during the previous year.

### 3. Industry Update & Future Outlook:

After the second wave of COVID, that peaked in May 2021, the market recovery gained momentum and GDP was projected to grow at 8.9% in fiscal year 2021-22 before reverting to 7.5% in financial year 2022-23 which can in turn peak up to 8% in financial year 2023-24. Inflation has remained close to the upper band but should ebb as supply chain disruptions are overcome. Financial markets remain strong and capital inflows support the build-up in reserves. The appearance of a new virus variant, especially if combined with a relaxation of attitudes, is the major downside risk, together with a less supportive global economic and financial environment. However, we are now foreseeing a gain in performance of automobile industry and in turn auto component industry.

We worked on cost reduction initiatives in financial year 2021-22 and posted an improved performance on top line and a lower loss on the bottom line. We will continue our efforts for cost reduction this year also. Other key focus areas remain improved productivity, upgrading of technology, talent retention and improved skilling.

#### Indian Automotive Components Sector Overview:

The Indian automotive industry is one of the key drivers of economic growth in India and contributes ~7.1% of the GDP. India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world. Due to its deep integration with other industrial sectors, it is a major driver of exports and employment. The India passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027, while registering a CAGR of over 9% between 2022-27. India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles. In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of over Rs. 42,500 (US\$ 5.74 billion) by 2026, and create 7.5 lakh jobs in India. In February 2022, 20 carmakers, including Tata Motors Ltd, Suzuki Motor Gujarat, Mahindra and Mahindra, Hyundai and Kia India Pvt. Ltd, were chosen to receive production-linked incentives (PLI) as part of the government's plan to increase local vehicle manufacturing and attract new investment. The 20 automobile companies have proposed a total investment of around Rs. 45,000 crore (US\$ 5.95 billion).

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 3.28% from FY16 to FY20 to reach US\$ 45.90 billion in FY21. The industry is expected to reach US\$ 200 billion by FY26. Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22. The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY22. The Government of India's Automotive Mission Plan (AMP) 2006-2026 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion. The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

(Source: <https://www.ibef.org/industry/autocomponents-india> )

### 4. Quality and Information Security:

The Company's focus on quality, productivity and innovations has helped us deliver increased value to our customers. The Company is certified for IATF 16949: 2016 & ISO 14001: 2015 & ISO 45001: 2018 (Quality Management Systems)

### 5. Dividend:

In view of the losses for the current financial year, your directors have decided not to recommend any dividend for the period under review.

### 6. Details of Subsidiaries, Joint Ventures (JV) or Associate Companies (AC):

The Company has no subsidiary, joint venture or associate companies.

### 7. Amounts proposed to be carried to any Reserves:

During the year under review, the company does not propose to transfer any amount to the reserves.

### 8. Listing Information

The Annual Listing Fee has been paid to the National Stock Exchange ("NSE") for the year 2022-23. The ISIN No. of the Company for equity is INE129Z01016.

**9. Change in nature of business, if any, Details of significant orders passed by Regulators and Material Changes if any between the end of the financial year 31st March, 2022 of the Company and the date of the report:**

After the end of the financial year on 31st March, 2022, the company received a request from Miba Sinter Holding GmbH & Co Kg (one of the promoters) seeking conversion of 987,500 Compulsorily Convertible Debentures (“CCDs”) into equity shares. Accordingly in the Board Meeting held on 12th July, 2022, the Company has converted the final tranche of 987,500 CCDs into Equity Shares as per the terms and conditions of the issue of the CCD’s & accordingly 987,500 Equity Shares of the company were allotted to Miba Sinter Holding GmbH & Co Kg (one of the promoters). The trading approval for the said shares is awaited to be received from NSE . Post allotment of such Equity Shares MIBA Sinter Holding GmbH & Co Kg is holding 30.57% of expanded share capital of the Company.

Details for change in the Paid-up capital of the Company as on the date of report:

(Figures in Rs.)	
Paid-up Capital as on 31st March, 2022	265,403,220
Increase – Conversion of Debentures (02nd Tranche)	9,875,000
Paid-up Capital as on date of report	275,278,220

**10. Material events during the year under review:**

During the year, on 30th March, 2022 the Company has converted the first tranche of 987,500 Compulsory Convertible Debentures (CCD) into 987,500 equity shares which were allotted to Miba Sinter Holding GmbH & Co Kg (the promoter).

Details for change in the Paid-up capital of the Company during the financial year 2021-2022 :

(Figures in Rs.)	
Paid-up Capital as on 01st April, 2021	255,528,220
Increase – Conversion of Debentures (01st Tranche)	9,875,000
Paid-up Capital as on 31st March, 2022	265,403,220

**11. Directors and Key Managerial Personnel:**

The Board of the Company comprises an optimum combination of executive and non-executive independent directors.

As on the date of this report, Board of Directors of the Company comprises of a total of six Directors. The Composition of the Board of Directors is as under:

Name of Director	Category and Designation
Mr. Hari Nair	Chairperson Non-Executive Non-Independent Director
Mr. Jignesh Raval	Managing Director
Mr. Bernd Badurek*	Non-Executive Non-Independent Director
Mr. Madan Godse	Non- Executive Independent Director
Mr. Dara Kalyaniwala	Non- Executive Independent Director
Ms. Madhavi Pandrangi	Non- Executive Independent Director

Further, this is to inform you that Mr. Harald Neubert resigned from the position of Non-Executive Director on 27th May, 2021 due to personal reasons.

\*Mr. Bernd Badurek was appointed as Non-Executive Non-Independent Director w.e.f. 27th May, 2021. Mr. Bernd Badurek is Member of the Executive Committee Miba AG and General Manager of Miba Sinter Group. He holds a university degree in business administration. Mr. Badurek has more than 20 years of international experience in sales & marketing.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 1/3rd of the Directors are liable to retire by rotation and if eligible, offer themselves for re-appointment. In the ensuing Annual General Meeting Mr. Bernd Badurek, Director of the Company is liable to retire by rotation and being eligible offers himself for re-appointment.

Pursuant to provisions of Section 203 of the Companies Act, 2013 read with the applicable rules and other applicable provisions of the Companies Act, 2013, the designated Key Managerial Personnel (KMP) of the Company as on 31st March, 2022 and as on date of this Report are as follows:

Name of KMP	Category and Designation
Mr. Jignesh Raval	Managing Director
Mr. Pankaj Bhatawadekar	Chief Financial Officer
Ms. Anuja Joshi	Company Secretary and Compliance Officer



**12. Board Meetings & Committee Meetings:**

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other items of business. The Board exhibits strong operational oversight with regular presentations by business heads to the Board. The Board and committee meetings are prescheduled, and a tentative annual calendar of Board and committee meetings is circulated to the directors well in advance to help them plan their schedule and to ensure meaningful participation at the meetings.

Total 5 (five) Board Meetings were held during the financial year 2021-22 as required u/s 173 (1) of the Companies Act, 2013 and rules made thereunder. The intervening gap between the two Board meetings was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1. The details of meetings of the Board of Directors are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Committees:**

Presently, the Board has four (4) Committees i.e. Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, and Corporate Social Responsibility Committee which have been established as a part of better corporate governance practices and is in compliance with the requirements of the relevant provisions of the applicable laws and statutes. The details of meetings of committees are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Audit Committee:**

The Audit Committee was constituted in compliance with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 5 (Five) Audit Committee meetings were held.

The details of meetings of the Audit Committee are provided in the Report on Corporate Governance that forms part of this Annual Report.

**Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted in compliance with the provision of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 2 (Two) meetings of the Nomination and Remuneration Committee were held the details of which are provided in the Report on Corporate Governance that forms part of this Annual report.

The salient features of the policy of the Nomination & Remuneration Committee have been disclosed under **Annexure VI**.

The policy is available on <https://sintercom.co.in/wp-content/uploads/2022/06/Nomination-and-Remuneration-Policy.pdf>

**Stakeholder Relationship Committee:**

The Stakeholder Relationship Committee was constituted in compliance with the provision of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

During the year under review, 1 (One) meeting of Stakeholder Relationship Committee was held the details of which are provided in the Report on Corporate Governance that forms part of the Annual report.

**Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee was constituted in compliance with the provision of Section 135 of the Companies Act, 2013.

During the year under review, 2 (two) meetings of the Corporate Social Responsibility Committee meeting were held, the details of which are provided in the Report on Corporate Governance that forms part of the Annual report.

**Meeting of Independent Directors:**

Additionally, during the financial year ended 31st March, 2022 the Independent Directors held a separate meeting on 18th February, 2022 in Compliance with the requirement of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (Listing Obligations & Disclosure Requirements). The said meeting was attended by all the Independent Directors.

**13. Evaluation of Board of Directors, Committees, and Individual Director:**

The Nomination & Remuneration Committee has set up a formal mechanism to evaluate the performance of the Board of Directors as well as that of the Committee's and individual Directors, including Chairperson of the Board, Key Managerial Personnel/ Senior Management, etc. The exercise was carried out through an evaluation process covering aspects such as the composition of the Board, experience competencies, government issues, attendances, specific duties, etc.

The performance of each of the non-independent directors (including the chairperson) was also evaluated by the independent directors at the separate meeting held by the Independent Directors of the Company.

**14. Familiarisation Programme:**

The Company regularly provides orientation and business overview to its directors by way of detailed presentations by the various business and functional heads at Board meetings and through other interactive programs. Such meetings/programs include briefings on the domestic and global business of the Company. Besides this, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in the regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company and can be accessed at <https://sintercom.co.in/wp-content/uploads/2022/06/Details-of-Familisation-program.pdf>

**15. Disclosure by Directors:**

The Board of Directors have submitted a notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declaration as to the compliance with the Code of Conduct of the Company.

**16. Declaration from Independent Directors:**

During the year under review, all Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and that the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and Regulation 16 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has received confirmation from Mr. Madan Godse, Mr. Dara Kalyaniwala, and Ms. Madhavi Pandrangi, Independent Directors that they have registered their name in the Independent Director's Database.

None of the Independent Directors serve as an Independent Director in more than the maximum permissible number of directorships and also have not crossed the maximum tenure of Independent Director. The Board confirms that all the Independent directors are proficient and performing their duties with integrity.

**17. Code of Conduct for Prohibition of Insider Trading:**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force at the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price-sensitive information, and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees, connected persons, and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, connected persons and other employees from trading in the shares of the company at the time when unpublished price sensitive information is available.

The Policy is available on the website of the Company <https://sintercom.co.in/corporate-policies/>

**18. Corporate Governance:**

The Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance. For sake of brevity, the items covered in Board's Report are not repeated in the Corporate Governance Report and vice versa

The Corporate Governance Report is annexed as **Annexure II**.

**19. Management Discussion and Analysis Report:**

Management Discussion & Analysis report for the year under review as stipulated under Regulation 34(2) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as **Annexure I** and forms part of this Report. For sake of brevity, the items covered in Board's Report are not repeated in the Management Discussion and Analysis Report and vice versa.

**20. Code of Conduct:**

The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and has been uploaded on the website of the Company at following web link:

<https://sintercom.co.in/wp-content/uploads/2ssss022/02/Code-of-conduct-for-board-members-and-senior-management-personnel.pdf>

**21. Particulars of Employee and Remuneration**

Disclosures of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are provided as "**Annexure V**".

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and financial statements are being sent to Members and others entitled thereto, excluding the information on employees' particulars which will be available for inspection in electronic mode up to the date of AGM. Members can inspect the same by sending an email to [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

During the financial year 2021-2022, no employee, whether employed for whole or part of the year, was drawing remuneration in excess of the limits mentioned under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 22. Risk Management:

The Company is a supplier of various automobile parts and is therefore exposed to risks associated with the automotive industry in particulars. The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set for the Company. As a part of Risk Management policy, the relevant parameters for the protection of the environment, the safety of operations and the health of people at work are monitored regularly.

As a part of regular risk management assessment, the Company is actively pursuing opportunities for diversifying its business portfolio into non- automotive segment like consumer goods, off highway equipment's, industrial goods and oil & gas. The Company has been awarded with components from some of these segment's and is exploring many more opportunities.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimization measures are reviewed in detail. Any exceptional situations having potential risks are identified and treated at the early stage to minimize their impact on financial and income positions.

## 23. Deposits:

The Company has not accepted any deposits under the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 as amended from time to time, during the year under review and therefore details mentioned in Rule 8(5) (v) & (vi) of Companies (Accounts) Rules, 2014 relating to deposits, covered under Chapter V of the Act is not required to be given.

As on 31st March, 2022 the Company has an outstanding unsecured loan including interest thereon of Rs. 32.25 million from Mr. Jignesh Raval, Managing Director and he has given declaration that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others. This borrowing is exempted deposit as per Rule 2 (c) (viii) Companies (Acceptance of Deposits) Rules, 2014.

## 24. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given herein below:

### A. Conservation of Energy

There is constant focus at all level in the organization to conserve energy and use it efficiently. This is also key to financial success, as energy is one of the important cost elements of conversion cost. Your Company has been implementing short- and long-term actions to improve the energy efficiency as its commitment towards minimizing the effects of factors of climate change. It has grounded mechanism to excel in this area. Regular review is conducted for evaluating the progress and effectiveness of various ongoing initiatives to reduce the energy consumption.

#### Energizing Low Carbon, Sustainable Operations

The Company has tied up with M/s RMK Infrastructure, Pune, Maharashtra and has successfully commissioned captive solar power projects in Village Mangrul, Tal Maval, Pune with plant capacity of 1 MW power generation. This project is generating around 2 million kWh of electricity per year helping to reduce Sintercom's carbon footprint by approx. 1900 tonnes of CO2 emission per year.

### B. Technology Absorption

The Company has existing Joint Venture agreement with M/s MIBA Sinter Holding Gmbh & Co KG, Austria. The Company has also entered into technology transfer agreements with MIBA Austria. Under these agreements, MIBA has transferred technology for development of high strength sinter hardened Synchro hub, Cam to Cam gears and Cam to Cam Backlash Gears. The plant has been designed to suit the said technology. The products produced by using these technologies have demand in the Indian market. The Company frequently runs inhouse training programs for product improvement, cost reduction, product development or import substitutions. The Company also takes help of external consultants whenever required on these aspects. During the year under review, the Company incurred an amount of Rs. 1,378,940/- on research and development.

### C. Foreign Exchange Earnings & Outgo:

Foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

(Figures in Rs.)

Particulars	2021-2022	2020-2021
Foreign Exchange Earnings in terms of actual inflows	1,215,136	-
Foreign Exchange Outgo in terms of actual outflows	5,935,746	-
CIF Value of Imports	36,714,159	313,729

Note: The above amount does not include the foreign exchange received from Miba Sinter Holding GmbH & CO KG towards issue and allotment of equity shares and compulsory convertible debenture, as it is mentioned in the report earlier.

## 25. Corporate Social Responsibility (CSR):

The report as per Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure VII**. Policy is available on company's website: <https://sintercom.co.in/wp-content/uploads/2022/02/CSR-Policy.pdf>

## 26. Auditors:

### Statutory Auditor:

The Members of the Company had approved the re-appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants [ICAI Firm Registration Number 105215W], as the Statutory Auditors of the Company to hold office for a period of five years i.e., from the conclusion of the 10th AGM [held on 26th September, 2017] until the conclusion of the 15th Annual General Meeting of the Company. M/s. Kirtane & Pandit LLP will complete their present term at the conclusion of this AGM in terms of the aforesaid and Section 139 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014. On completion of its present term, M/s. Kirtane & Pandit LLP is ineligible for re-appointment pursuant to Section 139, 141(3)(g) and 144 of the Act.

### Proposed Auditor:

Pursuant to the recommendation of the Audit Committee, the Board of Directors of the Company, recommended for the approval of the Members, the appointment of M/s. Patki & Soman, Chartered Accountants [Firm Registration Number: 107830W], as the Auditors of the Company for a period of 5 (Five) years i.e., from the conclusion of 15th Annual General Meeting at a remuneration as recommended by the Board and the Audit Committee from time to time. While considering the candidature of M/s. Patki & Soman, Chartered Accountants, the Audit Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Patki & Soman Chartered Accountants, to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Patki & Soman Chartered Accountants is registered with ICAI (Firm Registration Number: 107830W):

- is primarily engaged in providing audit and assurance services to its clients;
- has a valid Peer Review certificate;
- has confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the proviso to Section 139(2) and Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014; and
- has provided its eligibility certificate(s) and consent to act as the Statutory Auditor.

The Notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation, or adverse remark.

There is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Companies Act, 2013.

### Secretarial Auditor:

Pursuant to Section 204 of Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kanj & Co, LLP Practising Company Secretary, Pune to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form MR-3 issued by Secretarial Auditor for the financial year ended on 31st March 2022 is enclosed to this Report as **"Annexure III"**.

The Secretarial Audit Report contains qualification and the Company has given its comments on the Secretarial Auditors qualified opinion, the details are mentioned hereunder.

### Qualified Opinion (1)

Mr. Madan Godse, Chairperson of the Audit Committee was not able to attend the 14th Annual General Meeting held on 23rd September, 2021 due to personal emergency, however Mrs. Madhavi Pandrangi, member of Audit Committee was present for the Annual General Meeting for answering the shareholder's queries.

### Internal Auditor:

In accordance with the provision of Section 138 of the Companies Act, 2013 and Rules made thereunder, your Company has appointed Ms. Anuja Joshi as the Internal Auditor of the Company for Financial Year 2021-22 and takes her suggestions and recommendation to improve and strengthen the internal control system.

**27. Compliance with Secretarial Standard:**

The Company has generally complied with all the applicable Secretarial Standards in the Financial Year 2021-22.

**28. Directors Responsibility Statement:**

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, the Directors state that:

1. in the preparation of the Annual Accounts for the year ending 31st March 2022, the applicable Accounting Standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the annual financial statements have been prepared on a going concern basis.
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and.
6. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

**29. Finance and Accounts:**

Financial Statement has been prepared in accordance with accounting standards as issued by the Institute of Chartered Accountants of India and as specified in Section 133 of the Companies act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. IND AS is applicable to the Company. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's financial position.

**30. Fraud Reporting:**

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors during the financial year under Section 143 (12) of the Companies Act, 2013.

**31. Extract of Annual Return:**

In accordance with Sections 92(3) read with 134(3)(a) of the Companies Act, the Annual Return of the Company as on 31st March, 2022 is available on the website of the Company at <https://sintercom.co.in/other-compliances/>

**32. Particulars of Loans, Guarantees and Investments:**

The Company has not given any loan or guarantee or security or made investment under Section 186 of the Companies Act, 2013 during the financial year.

**33. Particulars of Related Party Transactions:**

During the year under review, contract or arrangements entered into with related party as defined under Section 2(76) of the Companies Act, 2013 were in ordinary course of business on arm's length basis. Details pursuant to the transactions in compliance of section 134(3) (h) of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rues, 2014 are annexed herewith in the prescribed Form AOC-2 -**Annexure IV**.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the Company's website <https://sintercom.co.in/wp-content/uploads/2022/06/Materiality-Policy.pdf>

**34. Internal Financial Control System:**

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. In addition, the Company has identified and documented the risks and controls for each process that has a relationship to the financial operations and reporting.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, the performance of Internal Auditors of the Company.

**35. Disclosure under the Sexual Harassment of Women at Workplace (prevention, prohibition and Redressal), Act 2013:**

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 a committee called the Internal Complaints Committee has been established to provide a mechanism to redress grievances pertaining to sexual harassment at workplace and Gender Equality of working women. During the year the Internal Complaints Committee of the company has not received any complaint in terms of the Sexual Harassment of Women at Workplace



(Prevention, Prohibition and Redressal) Act, 2013.

- Number of complaints filed during the financial year: NIL
- Number of complaints disposed of during the financial year: NIL
- Number of complaints pending as on end of the financial year: NIL

**36. Vigil Mechanism / Whistle Blower:**

The Company has adopted a Vigil Mechanism Policy through a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

The Whistle Blower Policy is disclosed on website of the Company <https://sintercom.co.in/wp-content/uploads/2022/02/Whistleblower-Policy.pdf>

**37. Non-Disqualification of Directors:**

None of the directors of the Company are disqualified from being appointed as a Director and the relevant certificate for the same from the Practising Company Secretary in annexed as **Annexure VIII**.

**38. Policy of preservation of Documents:**

Pursuant to Regulation 9 of SEBI (LODR), Regulations, 2015 the Company has maintained the policy of preservation of documents as per Regulation 9 (a) & 9 (b) of SEBI (LODR), Regulations, 2015 and the same has been uploaded on the website of the Company on <https://sintercom.co.in/wp-content/uploads/2022/06/Preservation-And-Archival-Policy.pdf>

**39. Details of significant and material order passed by the regulators or courts or tribunals:**

There were no significant and material orders issued against the Company by any regulating authority or court or tribunal that could affect the going concern status and Company's operations in future.

**40. Order of SEBI & NSE**

There are no orders received by the Company from SEBI and NSE which would impact the listing of the Company's shares.

**41. Cost Records:**

The provisions of section 148(1) of the Companies Act, 2013 and other applicable rules and provisions do not apply to the company. Therefore, no cost record has been maintained by the Company.

**42. Credit Rating:**

As on the date of this report, the credit rating are as follows,

Type	Rating
Long Term Rating	CRISIL BB+/Negative (Reaffirmed)
Short Term Rating	CRISIL A4+ (Reaffirmed)

**43. Investor Education and Protection Fund (IEPF):**

During the year under review, the provision of Section 125(2) of Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by Central Government of India.

**44. Unpaid and Unclaimed amount of Dividend and Share Application Money:**

There is no unpaid Dividend or Share Application Money pending to be refunded to the investors and shareholders till 31st March 2022.

**45. Insurance**

Our Company generally maintains insurance covering our inventories/ stock at such levels that we believe to be appropriate. The insurance policy covers stock lying in the premises, stock in transit and the stock which is in our custody and specified location/ person like warehouse or vendors locations.

**46. Business Responsibility Report:**

Your Company does not fall under top 1000 listed entities as per Market Capitalization. Hence, the Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not enclosed to this Annual Report.

**47. Registrar and Share transfer Agent Information:**

Link Intime India Pvt. Ltd  
Block No. 202,  
2nd Floor, Akshay Complex,  
Near Ganesh Temple,  
Off Dhole Patil Road,  
Pune – 411001

Tel: 020 - 2616 1629 / 2616 0084

Fax: 020 - 2616 3503

Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in) Website: <https://www.linkintime.co.in>

#### 48. **Event Based Disclosures:**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- The Company has neither issued shares with differential voting rights as to dividend or otherwise nor has granted any stock options or sweat equity to the employee of the Company. As on 31st March, 2022, none of the Directors of the company hold instruments convertible into equity shares of the Company.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustee for the benefit of employees.
- There was no change in the nature of business of your Company;
- The Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on March 31, 2022, there were no deposits which were unpaid or unclaimed and due for repayment, hence, there has been no default in repayment of deposits or payment of interest thereon;
- The Company has not issued any sweat equity shares;
- The Company has not raised any funds through qualified institutions placement as per Regulation 32(7A) of the SEBI Listing Regulations;
- The Company does not engage in commodity hedging activities;
- The Company has not made application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 and
- The Company has not made any one-time settlement for the loans taken from the Banks or Financial Institutions.

#### 49. **Acknowledgements:**

Your directors would like to place on record their appreciation and gratitude for the support to the Company received from the Employees, Clients, Customers and Shareholders of the Company for their trust and patronage, as well as to the Bankers, Securities and Exchange Board of India, National Stock Exchange, Government of India and other Regulatory Authorities for their continued co-operation, support and guidance.

#### **FOR AND ON BEHALF OF THE BOARD SINTERCOM INDIA LIMITED**

**Hari Nair**  
Chairperson  
DIN: 00471889

Pune, 11<sup>th</sup> August, 2022



# ANNEXURE I

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT



### FORWARD LOOKING STATEMENT

*The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.*

### GLOBAL ECONOMY OVERVIEW

2021 has been another difficult year owing to the continuing and pervasive impact of COVID-19, especially with the advent of new variants causing increased uncertainties. The year was also marked by supply side disruptions and the onset of a super cycle of commodity price increases. Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO). A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine. The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchor; tighter global financial conditions could induce debt distress in emerging market and developing economies. (Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>).

S&P Global Mobility (formerly the automotive team at IHS markit) has projected that the shortage hindering global vehicle production is poised to persist into 2022 before the supply chain demand catches up with demand in 2023. As a result, it has downgraded the global light vehicle production forecast for 2022 and 2023 by 2.6 million units for both the years. The escalation in the geo-political tension has also led to increased financial volatility. Central banks proposed an array of measures to ensure credit was available to businesses and individuals.

Despite the impact of the pandemic, the unprecedented collective policy efforts by governments and central banks, paired with the resilience and innovations of private enterprises, have helped minimize lasting economic and physical damage across the world. While the direction of crisis between European countries remains uncertain, its impact on the global economy will remain. Moreover, largescale vaccination drives around the world, coupled with accommodative policy measures, boosted economic recovery.

### INDIAN ECONOMY OVERVIEW

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships. The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. (Source: <https://www.ibef.org/economy/indian-economy-overview>). These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilisation in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity. With the economic scenario improving on recovering from the COVID-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also launching growth-oriented policies to boost the economy. In view of this, the country witnessed many developments in the recent past, some of which are mentioned below.

- As of July 15, 2022, India's foreign exchange reserves reached US\$ 572.71 billion.
- Private equity-venture capital (PE-VC) sector investments stood at US\$ 34.1 billion, up 28% YoY, across 711 deals through January-June 2022.
- India's merchandise exports stood at US\$ 676.2 billion in FY22. In June 2022, India's merchandise exports stood at US\$ 37.9 billion, recording the highest ever exports in June 2022.
- PMI Services was at 58.9 in May 2022 compared to 57.9 in April 2022.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 588.53 billion between April 2000-March 2022.
- In May 2022, the Index of Industrial Production (IIP) stood at 137.7 driven by mining, manufacturing and electricity sectors.
- Consumer Price Index (CPI) inflation stood at 7.01% in June 2022 compared to 7.04% in May 2022.
- In July 2022 (until 21 July 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 228,862 crore (US\$ 28.65 billion)

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over the recent decade, India's rapid economic growth has led to a substantial increase in demand for exports. Moreover, many of the government's flagship programmes, including Make in India, Atmanirbhar Bharat, Start-up India, Digital India, the Smart City Mission and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India. (Source: <https://www.ibef.org/economy/indian-economy-overview>)

Recent Government measures on controlling inflationary pressure: Tense geopolitical situation and the consequent elevated commodity and global food prices are imparting considerable uncertainty to domestic inflation outlook and hence RBI in June 2022 has revised inflation projection upwards by 100 bps to 6.7% in FY23 from 5.7% estimated earlier in April 2022. Recent fiscal measures like ban on domestic wheat exports, reduction in excise duty on petrol and diesel and lifting ban on edible oil by global suppliers will help in offsetting some inflationary risk. To control the surge in inflation which are beyond the comfort zone of RBI, the stance of RBI is now focused on withdrawal of accommodative policy. In line with the shift in priority to control inflation overgrowth RBI has increased the policy rates.

## **AUTOMOBILE SECTOR INDUSTRY**

The Indian automotive industry is one of the key drivers of economic growth in India and contributes ~71% of the GDP. India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy trucks manufacturer in the world. Due to its deep integration with other industrial sectors, it is a major driver of exports and employment. The India passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027, while registering a CAGR of over 9% between 2022-27. India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles. In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of over Rs. 42,500 (US\$ 5.74 billion) by 2026, and create 7.5 lakh jobs in India. In February 2022, 20 carmakers, including Tata Motors Ltd, Suzuki Motor Gujarat, Mahindra and Mahindra, Hyundai and Kia India Pvt. Ltd, were chosen to receive production-linked incentives (PLI) as part of the government's plan to increase local vehicle manufacturing and attract new investment. The 20 automobile companies have proposed a total investment of around Rs. 45,000 crore (US\$ 5.95 billion).

The Government of India encourages foreign investment in the automobile sector and has allowed 100% FDI under the automatic route.

Some of the recent initiatives taken by the Government of India are:

- In February 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways, revealed plans to roll out Bharat NCAP, India's own vehicle safety assessment program.
- In the Union Budget 2022-23, the government laid out the following initiatives:
  - o The government introduced a battery-swapping policy, which will allow drained batteries to be swapped with charged ones at designated charging stations, thus making EV's more viable for potential customers.
  - o India's National Highways would be expanded by 25,000 km in 2022-23 under the Prime Minister's Gati Shakti Plan.
- In November 2021, the Union Government added >100 advanced technologies, including alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex fuel engines, electronic control units (ECU) for safety, advanced driver assist systems and e-quadracycles, under the PLI scheme for automobiles.
- In September 2021, Minister of Road Transport and Highways, Mr. Nitin Gadkari, announced that government is planning to make it mandatory for car manufacturers to produce flex-fuel engines after getting the required permissions from the Supreme Court of India.
- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion).
- In August 2021, Prime Minister Mr. Narendra Modi launched the Vehicle Scrappage Policy, which aims to phase out old polluting vehicles in an environmentally safe manner.

(Source: <https://www.ibef.org/industry/india-automobiles> )

## **AUTO COMPONENTS INDUSTRY**

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 3.28% from FY16 to FY20 to reach US\$ 45.90 billion in FY21. The industry is expected to reach US\$ 200

caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY22. The Government of India's Automotive Mission Plan (AMP) 2006-2026 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion. The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

(Source: <https://www.ibef.org/industry/autocomponents-india>)

#### COMPANY AND PERFORMANCE OVERVIEW:

This year was full of challenges and new learnings for the Company, mainly due to COVID-19 second wave which affected the industry in Q1 FY22 in the month of May-2021 and first two weeks of June-2021, where mostly all the customers announced the shut down due to COVID-19 and secondly restriction on the use of industrial oxygen during the period by the government which negatively impacted the sales for the Q1FY22. Further, company also suffered loss of revenue during Q2FY 22 due to the global shortages of the semi conductor chips which disturbed the production at the customer level thereby adversely impacting schedules of the Company during Q2FY22. In spite of these challenging times, the company was able to register above market growth due to approval of the various new programs during the year.

The Company successfully developed and implemented gear rolling technology during the year. Your Company takes pride in mentioning that the Company is first mover of this technology in India and has successfully started supplies to one of the leading auto OEM.

During the period, your Company focused hard on cost optimization, employees training across all functions including the shop floor, a heightened focus on customers & new product development, converting fixed cost into variable cost and various cost restructuring exercise were carried out by your Company.

In the Financial year 2021-22, your Company has recorded net sales of Rs. 598.88 million as against Rs. 471.99 million in the previous year and thereby recorded an increase of 26.89% in net sales. For the financial year 2021-2022, the Company incurred a loss before tax of Rs. 45.57 million as against the loss of Rs. 61.92 million for the previous financial year. This was mainly due to the underutilization of the capacities due to lower volumes due to second wave of the pandemic combined with the supply chain issues of semi conductor chip shortages during the Q2FY22. The loss would have been higher but for the various costs saving initiatives taken by the Company during the previous year.

#### OPPORTUNITIES AND THREATS:

##### a) Opportunities

- Increasing demand for sintered products in non-automotive segment (industrial goods, consumer goods) to open new opportunities for the company products.
- Increasing demand for lightweight sintered components in vehicles to meet CAFÉ II standards
- De-risking of global supply chain from one geographical country to multiple countries could open further opportunities in Global market.

##### b) Threats

- Tense geopolitical situation and the consequent elevated commodity and global food prices can have adverse impact on the margins in short term.
- An ensuing negative consumer sentiment due to higher inflation could moderate spending thus reducing the demand.
- Increase in borrowing cost and Inflation in prices has led to the increase in the cost of production of vehicles which may further increase the cost of vehicles, result in demand slow down and erosion in margins.

#### RISKS AND CONCERNS:

In accordance with the SEBI Listing Regulations, the Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plans of the Company. The Company does identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company from time to time.

Annual risk assessment exercise is conducted in line with the framework, existing risks, their mitigation actions are evaluated and new risks are identified. The Audit Committee has additional oversight over financial risks and controls. During the year under review, the Directors reviewed the potential impact of COVID-19 on the Company's critical areas like health & safety, customer, supplier, manufacturing, liquidity risk, etc. It also reviewed the mitigating factor and action initiated by the management to minimize the impact on the Company.

#### Risk Mitigation

To mitigate various risks significant to its business, your Company took several strategic initiatives during the year, such as:

- Putting in place monitoring and control mechanism to ensure availability of critical resources like manpower, material and power
- Focused on manufacturing cost reduction
- Diversification of business portfolio into non-automotive segments like industrial goods, consumer goods.
- Formation of a special task force to develop alternative sources for its critical supplies



These initiatives have helped minimize the impact of uncertainties and helped the Company achieve its planned business objectives during the year.

#### SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company works only in one segment i.e. manufacturing of sintered auto components.

#### IN ACCORDANCE WITH THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2018, THE COMPANY IS REQUIRED TO GIVE DETAILS OF SIGNIFICANT CHANGES (CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS

Sr. No.	Particulars	Basis	Year Ended		Variance %
			March 31, 2022	March 31, 2021	
1	Current ratio	Current Assets/Current Liabilities	1.29	1.50	-14%
2	Debt - Equity ratio	Total Debt/Equity	0.27	0.23	19%
3	Debt Service coverage ratio	Earnings for Debt Service*/Debt Service	0.66	0.38	74%
4	Return on Equity ratio	Profit after tax/Shareholders Equity	-0.04	-0.05	-15%
5	Inventory Turnover ratio	Costs of Goods Sold**/Average Inventory	3.83	3.70	4%
6	Trade Receivables turnover ratio	Revenue from Operations/Average Trade Receivables	2.24	1.91	17%
7	Trade Payables Turnover	Costs of Goods Sold**/Average Trade Payables	3.36	2.97	13%
8	Net Capital Turnover	Revenue from Operations/Working Capital#	4.50	2.60	73%
9	Net Profit/(loss) Margin	Net Profit/(loss) after tax/Revenue from operations	-6.41%	-9.97%	-36%
10	Return in Capital Employed	Earnings before Interest and Tax###/ Capital Employed\$	4.60%	3.27%	41%

\*Earnings for Debt Service = Earnings before finance costs, depreciation and amortization, exceptional items and tax (EBIDTA) / (Finance cost for the year + Principal repayment of long-term debt liabilities.)

\*\*Cost of Good sold = Cost of materials consumed + Changes in inventories of finished goods, stock-intrade, work-in-progress + Manufacturing and operating expenses

#Working Capital = Current Assets - Current Liabilities

##Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognized)

\$Capital Employed = Average of equity and total borrowings

Details of significant changes are as below -

- Debt Service coverage ratio (times):** Increase in the ratio by 74% is mainly on account of increase in EBIDTA margin in current year FY 21-22 and reduction in finance charges, as compared to previous year
- Net Capital Turnover (times):** Increase in the ratio by 73% is mainly on account of increase in net sales during the year and lower net working capital due to increase in the current liabilities, as compared to previous year.
- Net Profit/(Loss) Margin (%):** Decrease by 36% in the current year due to improvement in profitability which in the previous year was affected mainly due to Covid-19 pandemic.
- Return on Capital employed (%):** Increase in the ratio is on account of the increase in the EBITDA margin during the current year FY21-22 as compared to the previous year.

#### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company believes and recognizes that its employees are important resource in its growth and to give competitive advantage in the present business scenario. Ensuring business operations, employee safety and welfare became the foremost concerns for the Company.

During the year under review, while the pandemic posed several challenges, the company ensured to keep the safety and the wellbeing of its employees as its topmost priorities. Even in the work-from-home scenario, the company took appropriate measures by making human resource management more technology driven to seamlessly carry out virtual working experience. The Company has total 80 employees as on March 31, 2022. The company continued with its focus on an efficiently recruiting employees with the right talent and groom them to build a strong leadership pipeline. The diversity and inclusiveness in the workforce remained a strong fundamental to the company, in line with it the company continued to bring in more women employees at senior roles. The Company has well-thought-out and employee-friendly HR policies which it has led to a positive working relationship with its employees.

The Company has not had any work stoppages or cessations owing to labour disputes. The Company continues to lay great emphasis on Safety and Security. To ensure adherence to safety protocols, the company follows stringent procedures to safeguard and protect its workforce. The company also keeps prescribing policies and procedures while imparting training to its workforce. It has a system in place that promotes a positive work environment free of all forms of harassment.

**Internal Control Systems and their Adequacy**

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Given the changing needs, the Company has deepened the focus on the function and enhanced the scope of the internal audit department and included areas establishing corporate governance policy, internal control framework, conducting internal audits, management audits, IT audits, drafting and implementing policies and procedures, complying with environmental laws, reviewing and reporting of statutory compliances

**DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

**Note:**

*For sake of brevity the items covered in Board's Report are not repeated in the Management Discussion and Analysis Report.*

*Cautionary Statement:*

*Certain Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectation or predictions may be forward looking statements within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets, changes in the Government Regulations, tax laws and other statues and incidental factors.*

# ANNEXURE II

## CORPORATE GOVERNANCE REPORT



### 1. PHILOSOPHY ON CODE OF GOVERNANCE:

Sintercom believes that effective Corporate Governance Practices constitute a strong foundation on which successful commercial enterprises are built to last. Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all the stakeholders comprising of regulators, employees, customers, vendors, investors and the society at large.

Our corporate governance practices reflect our value system. Corporate Governance establishes procedures and systems to be fully compliant with the statutory requirements. Periodic review of the procedures and systems are done in order to ensure continued relevance, effectiveness and responsiveness to the needs of the Shareholders.

The Company discloses information regarding its financial position, performance and other vital matters with transparency, fairness and accountability on a timely basis.

### 2. BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company.

**Annual Calendar:** The meetings of the Board & Committees are pre-scheduled. A tentative annual calendar of the meetings is circulated to the Directors well in advance to facilitate them to plan their schedules.

Meetings at shorter notice & Circular Resolutions: In case of business exigencies, the Board's approval is taken either by holding meetings at shorter notice or through circular resolutions, which are noted at the subsequent meeting of the Board and/or Committees.

Information placed / provided:

Following information is provided to the Board (including Committees thereof), adequately in advance, of its Meetings, as per regulatory timelines, to enable them to take well informed decisions:

- a) The notice and detailed agenda along with relevant explanatory notes;
- b) Material information, to the extent applicable and relevant;
- c) Presentations on various functional and operational areas of the Company and other business development activities as well as on major projects, financial highlights, etc.

Any information which involves unpublished price sensitive information and in exceptional cases, certain additional matters are tabled at the meeting with the approval of the Chairperson and the Board, more particularly the Independent Directors. An approval from the Board for circulating such information at a shorter notice is obtained every year, in terms of SS-1.

#### Mode

The Board meets at regular intervals as per the pre-scheduled calendar to discuss and decide on strategies, policies and reviews the financial performance of the Company, through the Video-conferencing facility to enable the directors travelling abroad or present at other locations to be able participate in the meetings.

#### Paperless Meetings

In line with our sustainability vision and with a view to reducing paper consumption and leverage technology, a paperless mechanism of conducting Meetings was set-up by the Managing Director in the year 2021-2022. Since then, the Company has been conducting all its meetings through a web-based application, as and when the need arises. The said application meets high standards of security.

### Practices for Enhanced Corporate Governance

The Chief Financial Officer, Senior Management Personnel of the Company are also invited to the Board/Committee meetings. Your Company has provided an avenue to the Statutory Auditors to have an independent review with the Chairperson and members of the Audit Committee prior to declaration of the financial results, whenever requested.

### Composition

As on the date of this report, the Board of Directors of the Company consists of one (1) Executive Director, 3 (three) Independent Directors and 2 (two) Non-Executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience in business, finance, audit, law, corporate governance, sales & marketing, engineering and corporate management, which enables the Board to discharge its responsibilities and provide effective leadership to the business. The skills and expertise available with the Board are adequate within the context and needs of the Company's business. The positions of the Chairperson of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairperson of the Board is a Non- executive Director. None of the directors of your Company is related to each other except Mr. Jignesh Raval and Mr. Hari Nair by way of their Directorship at BRN Industries Limited. The following are the details of each member of the Board along with the number of Directorship(s)/Committee Membership(s)/Chairpersonship(s):

Composition and Directorship(s)/Committee Membership(s)/Chairpersonship(s) as on 31st March, 2022

In terms of the provisions of Section 165 and 184 of the Act and Regulation 17A and 26 of the SEBI Listing Regulations, the Directors provide necessary disclosures regarding positions held by them on the Board and/or Committees of other public and/or private companies in the first Meeting of the Board every financial year and post change in such disclosures, from time to time. The said disclosures are placed before the Board in its next Meeting (post receipt of disclosures) for noting.

Name of Director	Category of Directors	At Sintercom		No. of other directorships held excluding Sintercom *	Committee memberships held in other Companies (**)		Directorships held in other Listed entities and category of As directorship
		Tenure (in-Yrs)	Shareholding (No. of shares)		As directorship Member	As Chairperson	
Mr. Hari Nair	Non-Executive Chairperson	6.5	-	-	-	-	-
Mr. Jignesh Raval	Managing Director	14.9	1,133,035	-	-	-	-
Mr. Bernd Badurek	Non-Executive Director	0.10	-	-	-	-	-
Mr. Dara Kalyaniwala	Independent Non-Executive Director	1.6	2000	-	-	-	-
Mr. Madan Godse	Independent Non-Executive Director	4.4	-	1***	2	-	-
Ms. Madhavi Pandrangi	Independent Non-Executive Director	1.6	-	-	-	-	-

\* Excludes directorships in Indian Private Limited companies, foreign companies, Companies u/s 8 of the Companies Act, 2013 and memberships of managing committees of various chambers/bodies and alternate directorships.

\*\* Committees include only Audit Committee and Stakeholder's Relationship Committee

\*\*\* Mr. Madan Godse holds directorship in Precision Camshafts Ltd.

Basis the disclosures received from the Directors as on 31st March, 2022, we confirmed that none of the Directors are:

- (a) on the Board of more than:
  - i. 20 (twenty) companies;
  - ii. 10 (ten) public limited companies;
  - iii. 7 (seven) listed entities;
- (b) a member in more than 10 (ten) Audit and/or Stakeholders Relationship Committees, across all public limited companies (incl. deemed public)
- (c) a chairperson of more than 5 (five) Audit and/or Stakeholders Relationship Committees across all public limited companies (incl. deemed public); and

### Resignation/Appointment/Re-appointment of Directors

Your Board of Directors wishes to record its sincere appreciation for the services rendered by Mr. Harald Neubert during their association with the Company. Mr. Harald Neubert resigned/ceased from the Board w.e.f 27th May, 2021, he resigned due to personal reasons and there were no other material reasons for their resignation other than those mentioned above. Mr. Bernd Badurek was appointed as Non-Executive Director with effect from 27th May 2021.

Mr. Bernd Badurek (having DIN: 09143201), Non-executive Director, retires by rotation in accordance with the provisions of the Companies Act, 2013, and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Bernd Badurek holds Nil Equity Shares in the Company, and details, as required under Regulation 36(3) of SEBI Listing Regulations, have been appended to the Notice of the Annual General Meeting circulated to the Members along with this report.

Any person who becomes Director or Officer, including an employee acting in a managerial or supervisory capacity, is covered under Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action brought against its directors and officers for alleged wrongful acts under the Directors' and Officers' Liability Insurance subject to certain terms and conditions.

### Meetings and Attendance

During the financial year ended 31st March, 2022, five (5) board meetings were held on 27th May, 2021, 10th August, 2021, 12th November 2021, 11th February 2022 and 30th March, 2022 respectively. The previous Annual General Meeting was held on 23rd September, 2021.

### Directors' attendance at Board Meetings and at Annual General Meeting (AGM):

Name of Director	No. of Boards Meetings Attended	Attendance at last AGM
Mr. Hari Nair	5	Yes
Mr. Jignesh Raval	5	Yes
Mr. Bernd Badurek*	5	Yes
Mr. Dara Kalyaniwala	5	Yes
Ms. Madhavi Pandrangi	5	Yes
Mr. Madan Godse	5	No

- \*1. Mr. Harald Neubert resigned from the position of Non-Executive Director on 27th May, 2021 due to personal reasons.  
2. Mr. Bernd Badurek appointed as Non-Executive Non-Independent Director w.e.f. 27th May, 2021

### Code of Conduct for Directors and Senior Management Personnel

All Directors and members of the Senior Management have affirmed their compliance with the Code of Conduct for Board of Directors and Senior Management Personnel (SMP) as on 31st March, 2022 and a declaration to that effect, signed by the Managing Director & CEO is enclosed and forms part of this report. The Code of Conduct for Board of Directors and SMP has also been posted on the website of the Company at <https://sintercom.co.in/wp-content/uploads/2022/02/Code-of-conduct-for-board-members-and-senior-management-personnel.pdf>

## 3. COMMITTEES OF THE BOARD

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained below. Each of these Committees demonstrates the highest levels of integrity and has the requisite expertise to handle issues relevant to their field.

### A. Audit Committee

The Company has constituted Audit committee in line with provisions of Regulation 18 of the Securities and Exchange Board of India( Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 177 of the Companies Act, 2013.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, the performance of Internal Auditors of the Company.

All the members of the Audit Committee possess accounting, economic, legal and financial management expertise.

### Meetings

During the financial year ended 31st March, 2022, 5 (five) audit committee meetings were held on 27th May, 2021, 10th August, 2021, 12th November 2021, 11th February 2022 and 30th March, 2022 respectively.

The Annual General Meeting (AGM) held Thursday, 23rd September, 2021, however Chairperson of audit committee Mr. Madan Godse was not able to attend the AGM due to personal emergency, however member of Audit Committee Ms. Madhavi Pandrangi was present in AGM, to answer shareholders' queries, if any.

The meetings of the Audit Committee are also attended by the Managing Director, Independent Directors, Chief Financial Officer, Statutory Auditors and Internal Auditor.



The Company Secretary acts as the Secretary to the Audit Committee.

**The composition and attendance of the Committee meetings are as follows:**

Name of Director	Status in Committee	Meeting held	Meeting attended
Ms. Madhavi Pandrangi (Independent Director)	Chairperson	5	5
Mr. Jignesh Raval (Managing Director)	Member	5	5
Mr. Madan Godse (Independent Director)	Member	5	5

*Mr. Madan Godse, who was the Chairperson of the Audit Committee at the beginning of the financial year, expressed his desire to step down from the Chairpersonship in the meeting of the Audit Committee held on 12th November, 2021 and recommended the name of Ms. Madhavi Pandrangi for the post of Chairperson of the Audit Committee.*

*The same was unanimously approved by the Board of Directors of your company in the meeting held on 12th November, 2021.*

The primary role/ responsibility of the Audit Committee:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment of remuneration to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval; and
- Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval/ the statement of uses/application of funds raised through an issue/ Approval or any subsequent modification of transactions of the Company with related parties.

The role/terms of reference of the Audit Committee are in conformity with the SEBI Listing Regulations read in conjunction with Section 177 of the Companies Act, 2013.

**B. Nomination & Remuneration Committee**

The Company has constituted Nomination and Remuneration committee in line with the provisions of Regulation 19 of the Listing Regulations and Section 178 of the Act.

**Meetings**

During the financial year ended 31st March, 2022, two (2) nomination & remuneration committee meetings were held on 26th May, 2021 and 28th July, 2021 respectively.

The Annual General Meeting (AGM) held on Thursday, 23rd September, 2021 was attended by the Chairperson of the Committee, Mr. Dara Kalyaniwala, to answer shareholders' queries, if any.

The Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

**The composition and attendance of the Committee meetings are as follows:**

Name of Director	Status in Committee	Meeting held	Meeting attended
Mr. Dara Kalyaniwala (Independent Director)	Chairperson	2	2
Mr. Madan Godse (Independent Director)	Member	2	2
Mr. Hari Nair* (Non-Executive Director)	Member	2	2
Mr. Bernd Badeurek** (Non-Executive Director)	Member	2	0

*\*Mr. Hari Nair expressed his desire to resign from the membership of Nomination and Remuneration Committee in the meeting of Board of Directors held on 30th March, 2022 citing personal reasons. The Board took note of the same and accepted his resignation with a vote of appreciation for his service.*

*\*\* Mr. Bernd Badurek was appointed as member of Nomination & Remuneration Committee w.e.f. 12th November, 2021. The Board believes that his expertise will help your company in meeting the global standards of remuneration.*

The primary role/ responsibilities of the Nomination and Remuneration Committee are:-

- a) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a remuneration policy, for the Directors, Key Managerial Personnel and other employees;
- b) To identify qualified persons to become Directors and Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance;
- c) To extend or continue the term of appointment of the Independent Director based on the performance report of Independent Director;
- d) To formulate a criteria for evaluation of performance of the Independent Directors and Board of Directors; and
- e) To device a policy on diversity of Board of Directors.

#### Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicate inter se with board members, effective participation, compliance with Code of Conduct etc. which is compliance with applicable laws, regulations and guidelines.

#### Policy on Director's appointment and remuneration

The Nomination and Remuneration Policy of the Company has been formulated in accordance with the Act and Listing Regulations. The Policy is designed to guide the Board in relation to appointment, removal of Directors, Key Managerial Personnel and Senior Management and recommend to the Board on remuneration payable to them. Policy enables the Company to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The current policy along with the terms of reference of the committee is available on Company's website: <https://sintercom.co.in/wp-content/uploads/2022/06/Nomination-and-Remuneration-Policy.pdf>

#### Remuneration of Directors

Details of Remuneration paid/payable to the Directors for the year ended 31st March, 2022, are as follows:

Name of Director	Salary & Performance Bonus	Perquisites & Other benefits	Sitting Fees	Total
<b>Executive Director</b>				
Mr. Jignesh Raval	12,796,714	1,893,414	-	14,690,128
<b>Non-Executive Directors</b>				
Mr. Hari Nair	-	-	-	-
Mr. Bernd Badurek*	-	-	-	-
Mr. Madan Godse	-	-	300,000	300,000
Mr. Dara Kalyaniwala	-	-	200,000	200,000
Ms. Madhavi Pandrangi	-	-	300,000	300,000

The sitting fee paid to the Non-executive Directors is towards attending the Board, Audit Committee meetings, Nomination & Remuneration Committee Meeting, Corporate Social Responsibility Committee and Stakeholder Relationship Committee Meeting held during the year.

\* Mr. Harald Neubert resigned from the position of Non-Executive Director on 27th May, 2021 due to personal reason.

\* Mr. Bernd Badurek appointed as Non-Executive Non-Independent Director w.e.f. 27th May, 2021

#### Note:

The Executive Directors of the Company have been appointed on a contractual basis. According to the contract, the notice period is three months.

Payment of remuneration to the Executive Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board, subject to the approval of the Shareholders.

The remunerations to Executive Director are additionally evaluated against the Key Performance Indicators (hereinafter referred as 'KPIs') set at the beginning of the financial year, which, inter alia, includes both long-term and short-term financial performance parameters including inter-alia performance targets on revenue, EBITDA, PAT, cost reduction, market share, economy, etc.

The Company has adopted Compensation Policy for performance evaluation: <https://sintercom.co.in/wp-content/uploads/2022/06/Compensation-Policy-for-KMP.pdf>

Non-Executive/Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits.

#### Shareholding of Non-executive Directors

Name of Director	No. of Shares held as on 31st March, 2022
Mr. Dara Kalyaniwala	2000 Shares

Apart from the above, there was no pecuniary relationship or transactions between the Company and Non-executive Directors.

The performance criteria for the payment of remuneration to the Directors are in line with the Nomination and Remuneration Policy of the Company.

#### Board Membership Criteria and list of core skills/ expertise/ competencies identified in the context of the business:

Areas of Expertise required	Description
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth
Strategy & Planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Industry knowledge and Experience	Experience in Manufacturing, Quality, Safety, Project Management and knowledge of Corporate Research and Development pertaining to automotive/industrial battery and allied industries.
Governance and Risk Management	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.
Financial, Regulatory/ Legal & Risk Management	Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Director	Qualification or Skill					
	Leadership	Strategy & Planning	Industry knowledge and Experience	Governance and Risk Management	Financial, Regulatory/ Legal & Risk Management	Sales and marketing
Mr. Hari Nair	✓	✓	✓	✓	✓	✓
Mr. Jignesh Raval	✓	✓	✓	✓	✓	✓
Mr. Bernd Badurek	✓	✓	✓	✓		✓
Mr. Dara Kalyaniwala	✓	✓		✓	✓	
Mr. Madan Godse	✓	✓		✓	✓	
Ms. Madhavi Pandrangi	✓	✓		✓	✓	

#### C. Stakeholders Relationship Committee

The Company has constituted Stakeholder's relationship committee in line with the provisions of Regulation 20 of the Listing Regulations and Section 178 of the Act.

#### Meetings

During the financial year ended 31st March, 2022, one (1) stakeholder relationship committee meeting was held on 23rd March, 2022.

The Annual General Meeting (AGM) held on Thursday, 23rd September 2021 was attended by the Chairperson of the Committee, Mr. Hari Nair, to answer shareholders' queries, if any.

The Company Secretary & Compliance Officer Ms. Anuja Joshi acts as the Secretary to the Stakeholder's relationship committee.

**The composition and attendance of the Committee meetings are as follows:**

Name of Director	Status in Committee	Meeting held	Meeting attended
Mr. Hari Nair (Non-executive Director)	Chairperson	1	1
Mr. Jignesh Raval (Managing Director)	Member	1	1
Mr. Dara Kalyaniwala (Independent Director)	Member	1	1

The terms of reference of the Stakeholders Relationship Committee includes, inter alia, the following:

- Resolving grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
- Review of measures taken for the effective exercise of voting rights by shareholders;
- Review of adherence to service standards adopted by the Company in respect of various services being rendered by R&TA;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

**Investor Grievance Redressal Mechanism**

During the financial year ended 31st March, 2022, the Company has received **NIL** complaints from shareholders:

Number of complaints pending at the beginning of the financial year 2021-22	NIL
Number of complaints received during the financial year 2021-22	NIL
Number of complaints redressed during the financial year 2021-22	NIL
Number of complaints pending redressal at the end of the financial year 2021-22	NIL
Number of complaints not solved to the satisfaction of shareholders at the end of the financial year 2021-22	NIL
Number of pending share transfers as at March 31, 2022	NIL

**D. Risk Management Committee:**

Your Company does not fall under top 1000 listed entities as per Market Capitalization. Hence, requirements as mentioned under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

As on 31st March, 2022, our Company ranked 1333rd as per Market Capitalization on the Main Board of the National Stock Exchange of India Limited.

**E. Corporate Social Responsibility Committee**

The Company has constituted Corporate Social Responsibility Committee in line with the provisions of Section 135 of the Act.

**The composition and attendance of the Committee meetings are as follows:**

Name of Director	Status in Committee	Meeting held	Meeting attended
Ms. Madhavi Pandrangi (Independent Director)	Chairperson	2	2
Mr. Jignesh Raval (Managing Director)	Member	2	2
Mr. Hari Nair (Non-Executive Director)	Member	2	2
Mr. Bernd Badurek* (Non-Executive Director)	Member	2	0

\* Mr. Bernd Badurek was appointed as member of Corporate Social Responsibility Committee w.e.f. 12th November, 2021.

The Corporate Social Responsibility (CSR) Committee is responsible for:

- (i) Formulating the CSR Policy and proposing revisions as and when required subject to the approval of the Board of Directors;
- (ii) Recommending CSR projects in appropriation with the thematic areas in pursuance and as specified in Schedule VII and investments to be incurred thereof;
- (iii) Identifying and recommending CSR project life cycle management process including identification and recommendation of appropriate implementation agency, as applicable;
- (iv) Institutionalizing transparent and effective monitoring mechanism;
- (v) Monitor progress of the CSR projects on a regular basis;
- (vi) Identify the need and review outcomes of such impact assessment studies;
- (vii) Formulate, recommend and modify/ alter whenever necessary, the Annual Action Plan;
- (viii) Report to the Board, the status of CSR activities and contributions made etc.; and
- (ix) Any other activity(ies)/functions, as may be assigned by the Board.

The CSR Policy is available on Company's website <https://sintercom.co.in/wp-content/uploads/2022/02/CSR-Policy.pdf>

#### **F. Independent Directors and Meeting of Independent Directors**

Independent Directors play a significant role in the governance processes of the Board by enriching the Board's decision making and also preventing possible conflicts of interest that may emerge in such decision making. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company: <https://sintercom.co.in/wp-content/uploads/2022/02/Terms-and-conditions-for-appointment-as-an-Independent-Director-of-Sintercom-India-Limited.pdf>

The Company has appointed Independent Directors as per the requirements of the Companies Act, 2013 ("Act") and Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "SEBI Listing Regulations).

None of the existing Independent Directors serves as Independent Director in more than seven listed companies in line with the requirements of SEBI Listing Regulations. The said Independent Directors have also confirmed that they meet the criteria of independence as laid down in the Act and SEBI Listing Regulations, as amended and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of management.

In compliance with rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have also registered themselves on the independent director's data bank maintained by the Indian Institute of Corporate Affairs.

During the year under review, the Independent Directors met once on 18th February, 2022, inter alia, to discuss:

- 1) Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- 2) Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-executive Directors;
- 3) Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the said meeting.

#### **Familiarization Programs:**

The Company regularly provides orientation and business overview to its directors by way of detailed presentations by the various business and functional heads at Board meetings and through other interactive programs. Such meetings/programs include briefings on the domestic and global business of the Company. Besides this, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in the regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarization with the Company's procedures and practices, from time to time.

The details of programs for familiarization for Independent Directors are posted on the website of the Company and can be accessed at <https://sintercom.co.in/wp-content/uploads/2022/06/Details-of-Familisation-program.pdf>

## **4. GENERAL BODY MEETINGS**

Particulars of last three Annual General Meetings:

<b>AGM</b>	<b>Year Ended</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>
12th AGM	31st March, 2019	Hotel Orritel, Survey No.135, Opposite Talegaon MIDC Junction, Old Mumbai Pune Highway, Vadgaon, Pune, Maharashtra 412106	05th September, 2019	04.30 p.m



13th AGM	31st March, 2020	The Company conducted the meeting through VC/OAVM pursuant to MCA circular dated May 5, 2020	30th September, 2020	04.00 p.m
14th AGM	31st March, 2021	The Company conducted the meeting through VC/OAVM pursuant to MCA circular dated Jan 13, 2021	23rd September, 2021	04:00 pm

### Special Resolutions

The details of the special resolutions passed by the Company at the last three Annual General Meetings (AGMs) are given herein below:

Date of AGM	Subject matter of the resolution	Triggering Section of the Companies Act
05th September, 2019	Ratification of remuneration of Mr. Jignesh Raval, Managing Director	Section 197
30th September, 2020	-	-
23rd September, 2021	Ratification of remuneration of Mr. Jignesh Raval, Managing Director	Section 197

### Postal Ballot and Extra Ordinary General Meeting

During the year under review, no resolution was passed through postal ballot and as on the date of this report no special resolution is proposed to be conducted through postal ballot.

During the year under review, there was no extraordinary general meeting conducted.

## 5. DISCLOSURES

### A) Related-Party Transactions

All transactions entered with the related parties during the financial year ended 31st March, 2022 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Moreover, there were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the notes to the Financial Statements.

The policy for related party transactions has been uploaded on the Company's website. In the meeting held on 30th March, 2022, the Company has revised its related Transactions Policy. The web-link is <https://sintercom.co.in/wp-content/uploads/2022/06/Related-Party-Transactions-Policy.pdf>

### B) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

There was no such instance of non-compliance during the last three years.

### C) Whistle-Blower Policy/Vigil Mechanism

In accordance with the provisions of the Companies Act, 2013, read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, every listed Company is required to have a vigil mechanism for the directors, employees and stakeholders to report their genuine concerns and grievances. Sintercom has a whistle-blower policy in place, and it is available on the Company's website. The Audit Committee of Directors is entrusted with the responsibility to oversee the vigil mechanism. During the year, no person was denied access to the Audit Committee.

The Whistle-Blower Policy can be seen on the Company's website under the following weblink <https://sintercom.co.in/wp-content/uploads/2022/02/Whistleblower-Policy.pdf>

### D) Policy on Material Subsidiaries

In accordance with the requirements of Regulation 16(1) (c) of SEBI Listing Regulations, this is to inform that the Company does not have subsidiary.

E) As required under the provisions of the law, all other policies and disclosures are uploaded on the website of the Company at <https://sintercom.co.in> Investors are encouraged to visit the Company's website to access such documents.

**F)** All mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of the report.

**G) Risk management:**

The Company is the supplier of various automobile parts and is therefore exposed to risks associated with the automotive industry in particulars. The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set for the Company. As a part of Risk Management policy, the relevant parameters for the protection of the environment, the safety of operations and the health of people at work are monitored regularly.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimization measures are reviewed in detail. Any exceptional situations having potential risks are identified and treated at the early stage to minimize their impact on financial and income positions.

**H) Commodity Price Risk/Foreign Exchange Risk and Hedging activities**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the foreign exchange risk is not significant, the Company has decided not to manage it separately.

**I) CEO/MD and CFO Certification**

The Managing Director and the Chief Financial Officer of the Company give annual certifications on financial reporting and internal controls to the Board in terms of Regulation 17 read with Part B of Schedule II of Listing Regulations. The said Certificate is annexed and forms part of the Annual Report. The Chairperson and Managing Director and the Chief Financial Officer also give quarterly certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations, the same is annexed as **Annexure IX**

**J) Certificate from Practicing Company Secretary**

The Company has obtained a Certificate from the Practicing Company Secretary stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Authority, the same is annexed as **Annexure IX**

**K) Code of Conduct**

The Company has adopted a Code of Conduct ("the Code") for Directors and Senior Management of the Company and the same is available on the Company's website at the link <https://sintercom.co.in/wp-content/uploads/2022/02/Code-of-conduct-for-board-members-and-senior-management-personnel.pdf>

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

**L) Complaints pertaining to sexual harassment**

In relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has not received any complaints pertaining to sexual harassment during the financial year 2021-2022.

- a) number of complaints filed during the financial year : NIL
- b) number of complaints disposed of during the financial year: NIL
- c) number of complaints pending as on end of the financial year.: NIL

**M) Details of total fees paid to Statutory Auditors**

The total fees for all services paid by the Company to the Statutory Auditors is Rs.11,37,100/-

**N)** It is confirmed that the disclosures on corporate governance as required under Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations have been adhered and complied with.

**O) Procedure at Committee Meetings**

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable.

During the year, all the recommendations made by the respective Committees were accepted by the Board. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and placed before the Board meetings for noting. The composition of all the Committees is given in this Report.

**P) Utilisation of funds raised through issue of Preferential Issue of equity shares and Non- Convertible Debentures.**

In the Financial year 2020-2021, the Company had issued and allotted the following securities to Miba Sinter Holding GmbH & Co KG ("Miba"), promoter of the Company, by way of preferential allotment:

- 1) 1,350,000 (One Million Three Hundred Fifty Thousand) equity shares ("Equity Shares") having a face value of Rs. 10 (Rupees Ten only) for the per-share price of Rs. 67/- (Rupees Sixty-Seven only) amounting to Rs. 90,450,000 (Rupees Ninety million four hundred fifty thousand only) ; and
- 2) 1,975,000 (One Million Nine Hundred Seventy-Five Thousand) 4% unsecured compulsorily convertible debentures ("CCDs") for the per CCD price of Rs. 67 (Rupees Sixty- Seven only) amounting to Rs. 132,325,000/- (One hundred thirty-two million three hundred twenty-five thousand only)

The funds raised by the Company through preferential allotment were for the purpose of working capital, towards repayment of certain borrowings and future investments. As on the date of the Board's report the funds are fully utilised by the Company.

The funds raised by the Company through preferential allotment were for working capital requirements and for acquisition of capital goods and machinery. Of the total proceeds, an amount equal to INR 90,000,000 (Indian Rupees Ninety Million only) is allocated towards the acquisition of capital goods & machinery by the Company"

(Amount in million)			
Mode	Object	Amount allocated	Amount utilised
Preferential issue of Equity shares and CCD's Issue	Working capital, and for acquisition of capital goods and machineries	Rs. 222.78	Rs. 222.78

As on the date of this report there has been no deviation in the use of proceeds of the Preferential Issue from the objects stated in the Offer document as per Regulation 32 of SEBI Listing Regulations.

The Audit committee and the Board is reviewing on quarterly basis the utilisation of funds raised from Preferential Issue and same is filed with the Stock Exchange on a quarterly basis.

#### **Q) Report On Corporate Governance**

As required under Regulation 27 of the SEBI Listing Regulations, your Company has submitted the quarterly compliance report in the prescribed format within the required timelines to the stock exchanges. The same are available on the website of the Company <https://sintercom.co.in/corporate-governance/>

## **6. MEANS OF COMMUNICATION:**

The Company puts-forth vital information about the Company and its performance, including quarterly results, official news releases and communication to investors and analysts on Company's website: [www.sintercom.co.in](http://www.sintercom.co.in) , regularly for the benefit of the public at large.

During the year, the quarterly, half-yearly and annual results of the Company's performance have been published in leading newspapers, such as Business Standard/ Indian Express – (English language newspapers) and Kesari – (Marathi language newspaper published in Pune. News releases, Official news and media releases are sent to the Stock Exchanges.

#### **1) Website**

The Company's website contains a separate dedicated section titled "Investors". The basic information about the Company, as called for in terms of Regulation 46 of Listing Regulations, is provided on the Company's website: [www.sintercom.co.in](http://www.sintercom.co.in) and the same is updated from time-to-time. The Company also displays official news releases on the Company's website.

#### **2) Presentations to Institutional Investors/Analysts**

Detailed presentations are made to Institutional Investors and Financial Analysts on the un-audited quarterly financial results as well as the annual audited financial results of the Company. A copy of the presentation is available on the company's website.

#### **3) Filing with Stock Exchanges**

Information to Stock Exchanges is being filed online on NEAPS and digital portal for NSE.

#### **4) Annual Report**

Annual Report containing, inter alia, Audited Financial Statements, Board's Report, Independent Auditor's Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report forms part of the Annual Report and is displayed on the Company's website: [www.sintercom.co.in](http://www.sintercom.co.in)

## **7. GENERAL SHAREHOLDERS INFORMATION**

### **1) Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the by the Ministry of Corporate Affairs (MCA) is: L29299PN2007PLC129627

### **2) Annual General Meeting**

Date: 23rd September, 2022

Day: Friday

Time: 05.00 p.m. (IST)

Venue: The meeting will be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)

**3) Financial Year**

01st April, 2021 to 31st March, 2022

**4) Dividend**

The Company has not declared Dividend for the financial year ended on 31st March, 2022.

**5) Listing on Stock Exchange**

Equity Shares of Sintercom India Limited are listed on the National Stock Exchange of India Limited, Mumbai.

NSE Trading Symbol: SINTERCOM

Equity ISIN: INE129Z01016

Debt (CCD) ISIN: INE129Z08011 (un-listed)

Annual listing fees of National Stock Exchange due during the financial year have been paid.

**6) Market Price Data**

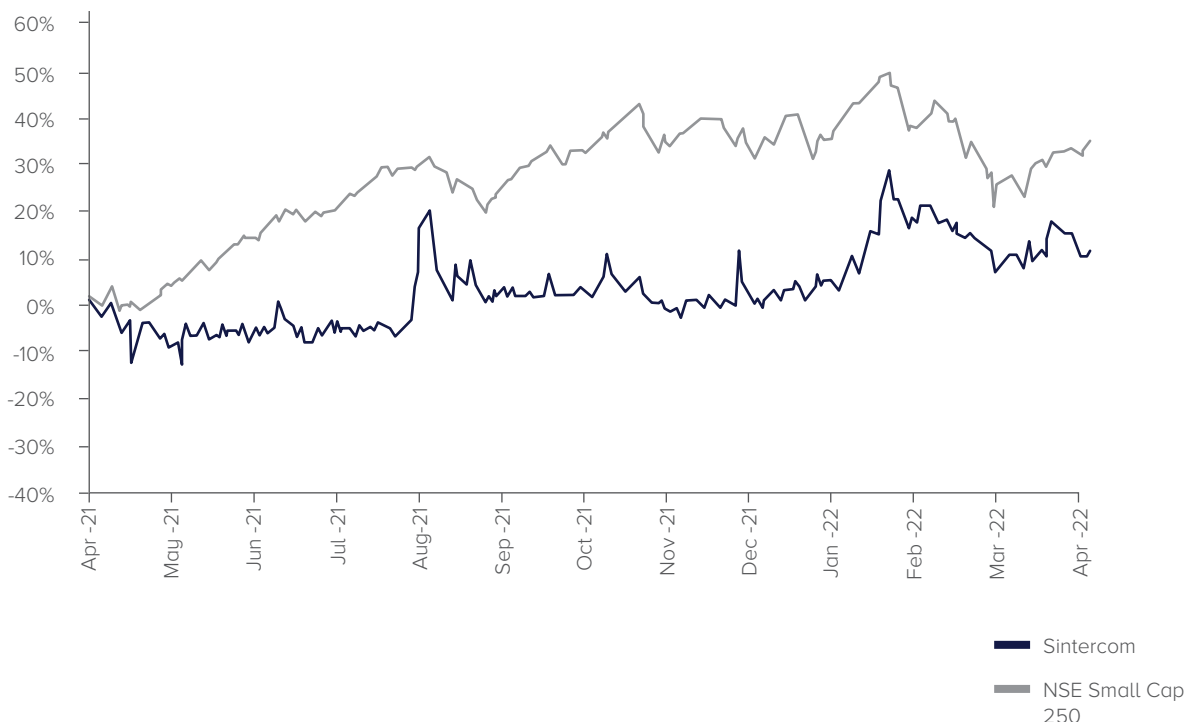
The details of the monthly high and low prices and volumes at NSE during the year 2021-22 is given in Table below

Months	High (Rs.)	Low (Rs.)	Volume (Nos.)
Apr-21	95.90	65.65	2,23,200
May-21	84.40	61.20	1,49,920
Jun-21	90.00	75.00	11,18,551
Jul-21	99.00	76.00	24,31,677
Aug-21	104.80	78.55	10,03,973
Sep-21	90.90	82.10	2,69,491
Oct-21	97.60	79.50	5,45,775
Nov-21	94.95	70.30	4,80,714
Dec-21	90.90	81.85	5,29,564
Jan-22	108.00	85.30	16,00,143
Feb-22	102.00	85.70	2,98,377
Mar-22	105.00	88.00	2,27,314

\* Price in Rs. per Equity Share

**7) Stock Performance**

Chart A plots the movement of Sintercom's equity shares adjusted closing prices compared to the NSE 250 small cap



**8) REGISTRAR AND TRANSFER AGENTS**

The Company has engaged Link Intime India Pvt. Ltd., Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune – 411001 Tel: 020 - 2616 1629 / 2616 0084 Email: pune@linkintime.co.in Website: <https://www.linkintime.co.in>, a SEBI registered body as its Registrar and Share Transfer Agent for processing transfers, sub-division, consolidation, etc.

Since trading in Company's shares can now be done only in the dematerialized form, request for demat and remat should be sent directly to the Registrar through depository participants concerned.

**9) SHARE TRANSFER SYSTEM**

As stated above, the Company's shares are compulsorily traded in demat mode on the stock exchange. This is to further inform that all the shares of company are held in demat form.

The Company obtains from a Company Secretary in practice, a yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with stock exchanges in compliance with regulation 40 of the Listing Regulations.

**10) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022**

Serial #	Shares Range			Number Of Shareholders	% Of Total Shareholders	Total Shares For The Range	% Of Issued Capital
1	1	to	500	1283	64.05	134943	0.51
2	501	to	1000	145	7.23	122843	0.46
3	1001	to	2000	205	10.23	364240	1.37
4	2001	to	3000	53	2.64	140319	0.53
5	3001	to	4000	67	3.34	258157	0.97
6	4001	to	5000	31	1.54	148898	0.56
7	5001	to	10000	82	4.09	663824	2.50
8	10001	to	*****	137	6.83	24707098	93.09
<b>Total</b>				<b>2003</b>	<b>100.00</b>	<b>26540322</b>	<b>100.00</b>

**11) SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31, 2022**

Category	Demat Securities	Demat Holders	Phy. Securities	Phy Holders	Total Securities	Total Holders	%-Issued Capital
Foreign Promoter Company	1,68,79,285	2	-	-	1,68,79,285	2	63.60
Public	48,82,859	1820	-	-	48,82,859	1820	18.40
Promoters Group	13,35,037	12	-	-	13,35,037	12	5.03
Body Corporate - Ltd Liability Partnership	10,43,473	3	-	-	10,43,473	3	3.93
Non-Resident Indians	9,90,359	34	-	-	9,90,359	34	3.73
Other Bodies Corporate	5,44,459	31	-	-	5,44,459	31	2.05
Non-Resident (Non Repatriable)	4,93,726	27	-	-	4,93,726	27	1.86
Alternate Invst Funds - III	1,86,158	1	-	-	1,86,158	1	0.70
Hindu Undivided Family	1,60,647	65	-	-	1,60,647	65	0.61
Trusts	13,327	1	-	-	13,327	1	0.05
Clearing Members	10,992	7	-	-	10,992	7	0.04
<b>TOTAL :</b>	<b>2,65,40,322</b>	<b>2003</b>	<b>-</b>	<b>-</b>	<b>2,65,40,322</b>	<b>2003</b>	<b>100.00</b>

**12) DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The entire shareholding of the Company is in DEMAT form.

CSDL: 11503932

NSDL: 14048890



**13) OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued any GDRs, ADRs, Warrants.

The Company in its meeting held on 03rd March, 2021 had allotted 19,75,000 4% Unsecured Compulsory Convertible Debentures (CCD's) to Miba Sinter Holding Gmbh And Co Kg. And on 30th March, 2022, 987,500 CCD's were converted into 987,500 Equity Shares and below are the details of Outstanding CCD's:

Name of the Allottee	Tranche	Pre-Preferential Holding		No. of Equity shares to be allotted on Conversion	Post-Preferential Holding (assuming conversion of CCD's) *	
		No. of Shares	% of Holding		No. of Shares	% of Holding
Miba Sinter Holding Gmbh And Co Kg	50% from April 2022-within 18 months from the date of allotment	7,426,585	27.98	9,87,500	83,14,085	30.20

**14) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the foreign exchange risk is not significant, the Company has decided not to hedge the currency risk .

**15) PLANT LOCATIONS:** Gat No. 127 At Post : Mangrul, Tal : Maval, Talegaon Dabhade, Pune – 410507

**16) ADDRESS FOR CORRESPONDENCE**

The Company's registered office is situated at  
Sintercom India Limited  
Gat No. 127 At Post : Mangrul,  
Tal : Maval, Talegaon Dabhade,  
Pune – 410507.

All Shareholders' correspondence should be addressed to:

Ms. Anuja Joshi  
Company Secretary & Compliance Officer  
Sintercom India Limited  
Gat No. 127 At post : Mangrul,  
Tal : Maval, Talegaon Dabhade,  
Pune – 410507  
Email: [investor@sintercom.co.in](mailto:investor@sintercom.co.in)

**17) LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAM OR ANY SCHEME OR PROPOSAL OF THE LISTED ENTITY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD.**

Type	Rating
Long Term Rating	CRISIL BB+/Negative (Reaffirmed)
Short Term Rating	CRISIL A4+ (Reaffirmed)

**Status as regards adoption/non-adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance**

Particulars	Status
<b>The Board</b> A non-executive chairperson may be entitled to maintain a Chairperson's office at the expense of the Company and also allowed reimbursement of expenses incurred in performance of his duties	Not adopted

<b>Shareholders Rights</b> A half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.	Not adopted
Modified opinion (s) in audit report Company may move towards a regime of financial statements with unmodified audit opinion	Company's financial statements have unmodified audit opinion.
Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	Adopted
<b>Reporting of Internal Auditor</b> The Internal auditor may report directly to the Audit Committee	Adopted

**18)** Designated depository for the purpose of monitoring of Foreign Investment limits on behalf of the Company: Central Depository Services (India) Limited ("CDSL")

**19) RECONCILIATION OF SHARE CAPITAL AUDIT:**

As stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, as amended, M/s. Kanj & Co. LLP, Company Secretaries, carried out quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the share capital during each quarter and the in-principle approval pending from stock exchanges with respect to such further issued capital, if any.

Further, an audit report issued in that regard is submitted to the stock exchanges.

**As per Para (F) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company does not have and is not required to have the Demat suspense account neither has an unclaimed suspense account.**

**Pursuant to Regulation 34(3) read with Schedule V of SEBI Listing Regulations, Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report.**

**On behalf of the Board of Directors**

**Mr. Hari Nair**  
Chairperson  
(DIN: 00471889)

**Mr. Jignesh Raval**  
Managing Director  
(DIN: 01591000)



# ANNEXURE III

## SECRETARIAL AUDIT REPORT



### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,  
The Members,  
Sintercom India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sintercom India Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of Sintercom India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable)

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable) and;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Listing Agreements entered into by the Company with National Stock Exchange(s), if applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**1) SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

- a) *The Chairman of the Audit Committee was not present at the Annual General Meeting held for FY 2020-21 on 23rd September, 2021, and to that extent the Company has not complied Regulation 18(1)(d) of SEBI LODR.*

**We further report that subject to our observations:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In our opinion, the Company should have better mechanism for circulation of draft minutes to the Board.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

The Company has duly filled the E-Forms with the Registrar of Companies, Ministry of Corporate Affairs, except for a few instances, where the forms were filed beyond prescribed time with payment of additional fees.

**We further report that during the audit period:**

- 1) The Company had made allotment of 9,87,500 Equity Shares of Rs. 10/- each pursuant to conversion of Compulsory Convertible Debentures to MIBA Sinter Holding GmbH & Co KG on 30th March 2022.
- 2) During the audit period the company has not initiated any actions such as Public/Right of shares /debentures sweat equity, etc., Redemption / buy-back of securities, decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, Merger / amalgamation/ reconstruction, etc. and Foreign technical collaborations having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For **KANJ & Co. LLP**  
**Company Secretaries**

**Sunil Nanal**  
**Partner**  
**M. No: 5977**  
**CP. No: 2809**

Date: 11th August 2022  
 UDIN: F005977D000779871  
 Place: Pune

# ANNEXURE IV

## RELATED PARTIES AOC-2



### FORM AOC-2

**Particulars of contracts / arrangements made with related parties  
[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013,  
and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto

#### A] Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into by the Company during the year ended 31st March, 2022, which were not at arm's length basis.

#### B] Details of material contracts or arrangement or transactions at arm's length basis

Sr. No	Particulars	Details	Details	Details	Details
1	Name(s) of the related party and nature of relationship	Miba Precision Components (China) Co., Ltd (Associate Company)	MIBA SINTER SLOVAKIA s.r.o	MIBA SINTER AUSTRIA GmbH	MIBA SINTER AUSTRIA GmbH
2	Nature of contracts/ arrangements/ transactions	Purchase of Capital Good	Purchase of Goods	Purchase of Capital Good	Purchase of Goods
3	Duration of the contracts / arrangements/transactions	6 months	Ongoing	6 months	Ongoing
4	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Capital Good – transaction value 72373.70 USD	Purchase of Goods-transaction value INR. 129,549/-	Purchase of Capital Good – Transaction value 333,900 EUR	Purchase of Goods-transaction value INR. 3,296,609/-
5	Date(s) of approval by the Board	11th February, 2022	10th August, 2021, 12th November, 2021	27th May, 2021, 12th November, 2021	10th August, 2021, 11th February, 2022
6	Amount paid as advances, if any	36186.85 USD	NIL	NIL	NIL

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <https://sintercom.co.in/wp-content/uploads/2022/06/Related-Party-Transactions-Policy.pdf>



# ANNEXURE V

## PARTICULARS OF EMPLOYEES



### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3) (Q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details
The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<b>46.46</b>
The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Director:</b> Mr. Jignesh Raval 0% <b>Key Managerial Personnel:</b> Mr. Pankaj Bhatawadekar 0% Ms. Anuja Joshi 6%
The percentage increase in the median remuneration of employees in the financial year	10.61%
The number of permanent employees on the rolls of Company	80 As on 31st March, 2022
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non-managerial employees is 10.88%  Average Salary increase of managerial employees is 6.72%
Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31st March, 2022 is as per the Remuneration Policy of the Company.



# ANNEXURE VI

## REMUNERATION/COMPENSATION POLICY



In accordance with the provisions of Section 178(3) of the Act and the SEBI Listing Regulations, Sintercom has a Nomination & Remuneration policy in place.

The objectives and key features of this Policy are:

- (a) Formulation of the criteria for determining qualifications, positive attributes of directors, Key Managerial Personnel (KMP) and also independence of independent directors
- (b) Aligning the remuneration of directors and KMPs with the Company's financial position, remuneration paid by its industry peers, etc.
- (c) Performance evaluation of the board, its committees and directors including independent directors
- (d) Ensuring board diversity
- (e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- (f) Directors' induction and continued training.

The Nomination & Remuneration Committee Meeting held on 28th July, 2021 adopted the new set of Remuneration/ Compensation Policy. The remuneration policy is in consonance with existing industry practice and the policy has been simplified and made easy for the members and the Company.

The Nomination & Remuneration Policy is available on the Company's website on <https://sintercom.co.in/wp-content/uploads/2022/06/Nomination-and-Remuneration-Policy.pdf>



# EVENTS

## VACCINATION DRIVE



# ANNEXURE VII

## CORPORATE SOCIAL RESPONSIBILITY



### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. A brief outline of the CSR policy of the Company:

At Sintercom, we attempt to constantly keep reshaping our Corporate Social Responsibility ("CSR") initiatives and realign ourselves to better suit the government's vision for social development. This belief in giving back has driven us to accomplish more every year, through our CSR efforts under the governance of our CSR Committee Leaders.

Our CSR policy aims to have a dedicated approach to the development of the community by expanding in the areas of Village/ rural Development (works on major indicators like - livelihood, health, education, and internal roads), primary, secondary and tertiary education for the underprivileged children, skills development, health and hygiene, cleanliness, Swachh Bharat, women empowerment, and ecological protection.

The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013 ("Act").

The detailed policy and gist of CSR activities can be viewed on the Company website: <https://sintercom.co.in/wp-content/uploads/2022/02/CSR-Policy.pdf>

#### 2. Composition of CSR Committee:

Name of the Director	Designation/ Nature of Directorship
Ms. Madhavi Pandrangi	Independent Director Chairman of CSR Committee
Mr. Hari Nair	Non-Executive Non-Independent Director Member of CSR Committee
Mr. Jignesh Raval	Managing Director Member of CSR Committee
Mr. Bernd Badurek*	Non-Executive Non-Independent Director Member of CSR Committee

\*Mr. Harald Neubert members of the committee have resigned from the position of Member of the Committee on 27th May, 2021 and Mr. Bernd Badurek has been appointed as member of committee w.e.f. 12th November, 2021.

The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013 ("Act").

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. Web-Link to the CSR Policy:

<https://sintercom.co.in/wp-content/uploads/2022/02/CSR-Policy.pdf>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency: This provision does not apply to the

Company for the Financial Year 2021-2022, as the CSR obligation for the year 2021-2022 is Rs. NIL.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
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NIL

**6. Average net profit of the Company as per Section 135 (5):**

The Company has incurred loss during the last two years. There is negative average loss of the Company.

a) Two percent of average net profit of the Company as per Section 135(5): NIL

b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.: NIL

c) Amount required to be set off for the financial year: NIL

d) Total CSR obligation for the financial year (7a+7b-7c): NIL

**7. Details of CSR spent during the financial year:**

a)

Total Amount Spent for the Financial Year. (in Rs.) Amount	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	1.88 million	31st March, 2022	-	NIL	-

\* The Company needs to spend an amount of Rs. 1.88 million towards CSR activities. However, due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns and restrictions on mobility, your Company was unable to execute projects as planned. Hence, the unspent amount of Rs. 1.88 million to ongoing projects has been transferred to Unspent CSR Account and the total unspent amount of Rs.1.88 million approx. is kept aside by the company, for the planned long-term projects of rural development.

**b) Details of CSR amount spent against ongoing projects for the financial year:**

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
Solar Street Lightings at Village Mangrul	Rural Development	Yes	Mangrul Village	4 years	Rs. 0.7 million	NIL	Rs. 0.7 million	No	Yes
Mangrul Village development	Rural Development	Yes	Mangrul Village	4 years	Rs. 1.10 million	NIL	Rs. 1.10 million	No	Yes

**c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Direct (Yes/No)
Village Vaccination	Rural Development	Yes	Mangrul Village, Pune	Rs. 0.57 Million	No	Yes

d) Amount spent in Administrative Overheads: Rs. 2000/-

e) Amount spent on Impact Assessment, if applicable: NIL

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 0.57 Million

g) Excess amount for set off, if any: NIL

**8. a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	2019-2020	1,730,067.35	-	CSR-Rural	-	30th April, 2020	1,730,067.35
2	2020-2021	2,451,824.40	-	CSR-Rural	-	30th April, 2021	2,451,824.40
3	2021-2022	18,80,964.40	5,70,860	CSR-Rural	-	31st March, 2022	18,80,964.40
	<b>Total</b>	<b>18,80,964.40</b>	<b>5,70,860</b>		-		<b>18,80,964.40</b>

**b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
NIL								

**9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable**10. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):**

The Company needs to mandatorily spend an amount of Rs. NIL towards CSR activities during the financial year 2021-2022. However, Rs. 1.88 Million as unspent CSR amount from last few years, due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns and restrictions on mobility, your Company was unable to execute projects as planned. Hence, the unspent amount of Rs. 1.88 million on ongoing projects has been transferred to Unspent CSR Account and the total unspent amount of Rs. 1.88 million approx. is kept aside by the company, for the planned long-term projects of rural development. Sintercom considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budgets for the benefit of society.

**Jignesh Raval**  
Managing Director  
DIN: 01591000

**Madhavi Pandrangi**  
Chairman, CSR Committee  
DIN: 08841155

# ANNEXURE VIII

## DIRECTORS DISQUALIFICATION CERTIFICATE



### CERTIFICATE ON NON-DISQUALIFICATIONS OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,**  
**The Members of**  
**Sintercom India Limited**  
**Gat no.127, At Post Mangrul,**  
**Taluka Maval, Talegaon Dabhade**  
**Pune - 410507**

We have examined the relevant records, registers, forms, returns and disclosures received from the Sintercom India Limited (hereinafter referred to as "Company") and made available to us for the purpose of issuing this Certificate. In accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

None of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other statutory authority, for the period commencing from 1st April 2021 to 31st March 2022:

Sr. No.	Name of the Director	DIN
1.	Hari Narayan Nair	00471889
2.	Jignesh Vasantraai Raval	01591000
3.	Madan Madhusudan Godse	06987767
4.	Dara Kalyaniwala	03311200
5.	Madhavi Pandrangi	08841155
6.	Bernd Badurek	09143201

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these matters based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KANJ & CO. LLP,**  
**Company Secretaries**

**CS Sunil Nanal**  
**Partner**  
**M. No. 5977**  
**CP No. 2809**

Date: 11th August 2022  
 UDIN: F005977D000779915  
 Place: Pune



# ANNEXURE IX

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE



### INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

#### The Members of Sintercom India Limited

Gat No. 127, At Post Mangrul,  
Taq- Maval, Talegaon Dabhade  
Pune - 410507

1. We have examined the compliance of conditions of corporate governance by Sintercom India limited ('the Company') for the year ended 31st March, 2022 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI.
6. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
8. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

**For Kirtane & Pandit LLP**  
**Chartered Accountants**  
**Firm Registration No.105215W/W100057**

**Parag Pansare**  
**Partner**  
**Membership No. 117309**

UDIN: 22117309AJTVGO3347  
Pune, May 27, 2022

# CEO/CFO

## CERTIFICATE



**TO THE BOARD OF DIRECTORS OF SINTERCOM INDIA LIMITED**  
**CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE OF THE COMPANY**  
 (Under Regulation 17 (8) read with Para B of Schedule II of SEBI (Listing Obligations and Disclosures Requirements), 2015)

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Sintercom India Limited ("the Company") to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the Cash flow statement for the year ended on 31st March, 2022, and to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws, and regulations;
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year are fraudulent, illegal, or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that:
  1. there are no significant changes in internal control over financial reporting during the year;
  2. there are no significant changes in accounting policies during the year;
  3. there are no instances of significant fraud of which we have become aware;

**Jignesh Raval**  
 Managing Director  
 DIN: 01591000

**Pankaj Bhatawadekar**  
 Chief Financial Officer

### DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

[Regulation 34(3) read with Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Jignesh Raval, Managing Director of Sintercom India Limited hereby declare that all members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company for the year ended 31 March 2022.

**Jignesh Raval**  
 Managing Director  
 DIN: 01591000



# INDEPENDENT AUDITOR'S REPORT



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SINTERCOM INDIA LIMITED Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Sintercom India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required

to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine

that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
4. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Kirtane & Pandit LLP**  
**Chartered Accountants**  
**Firm Registration No.105215W/W100057**

**Parag Pansare**  
**Partner**

Membership No.: 117309  
UDIN: 22117309AJTUYX2292

Pune, May 27, 2022

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sintercom India Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Sintercom India Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kirtane & Pandit LLP**  
**Chartered Accountants**  
**Firm Registration No.105215W/W100057**

**Parag Pansare**  
**Partner**

Membership No.: 117309  
 UDIN: 22117309AJTUYX2292

Pune, May 27, 2022



**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 4 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SINTERCOM INDIA LIMITED of even date)

- i. In respect of the Company's Fixed Assets;
- (a)
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) The Company has a program of verification to cover all the items of Property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, plant and equipment were physically verified by the management during the previous year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder
- ii. According to the information and explanations given to us and on the basis of our examination of the records of the Company;
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given loans, made investments, given guarantees and provided securities which are covered by the provisions of Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
- vi. The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act and we are of the opinion that prima facie such accounts and records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Customs Duty, Cess, and other material statutory dues applicable to it with the appropriate authorities except for Income Tax.
- (b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable except for Income Tax.

Statement of Arrears of Statutory Dues Outstanding for More than Six Months:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount pertains	Due Date
Income tax Act, 1961	TDS on Salaries, Contract & Professional Fees	29,66,292	FY 2021-22	7th of Next month

- (c) There were no disputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as at March 31, 2022 except as follows;

Name of the statute	Nature of the dues	Amount under dispute (Rs.)	Period(s) to which the amount relate	Forum where such dispute is pending
Income Tax Act 1961	Scrutiny Assessment u/s 143(3)	1,46,920	2017-18	Office Of the Assistant Commissioner of Income Tax (It) Circle 1, Pune
Income Tax Act 1961	Interest of excess return u/s 234D	17,628	2017-18	Office Of the Assistant Commissioner of Income Tax (It) Circle 1, Pune

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. According to the information and explanations given to us and on the basis of our examination of the records of the Company;
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) Term loans applied by the company were utilized for the purpose for which the loans were obtained.
- (d) We report that funds raised on short term basis have not been utilised for long term purposes.
- (e) We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013.
- (f) We report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013.
- x. According to the information and explanations given to us and on the basis of our examination of the records of the Company;
- a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company;
- a. No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- b. No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the Management, no whistleblower complaints have been received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and on the basis of our examination of the records of the Company;

- a. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
  - a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
  - b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
  - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
  - d. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information provided to us, due to losses incurred, the conditions and requirements of section 135 of the act are not applicable. Accordingly, clause 3(xx) of the Order is not applicable.
- xxi. According to the information provided to us, the Company has no subsidiary. Accordingly, clause 3(xxi) of the Order is not applicable.

**For Kirtane & Pandit LLP**  
**Chartered Accountants**  
**Firm Registration No.105215W/W100057**

**Parag Pansare**  
**Partner**  
Membership No.: 117309  
UDIN: 22117309AJTUYX2292

Pune, May 27, 2022



# BALANCE SHEET AS AT 31ST MARCH, 2022



Sr. No.	Particulars	Notes	As at March 31, 2022	As at March 31, 2021
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2(a)	72,92,82,133	74,03,66,472
	(b) Capital work-in-progress	2(b)	91,15,050	10,00,950
	(c) Intangible assets	2(c)	16,12,64,981	12,98,94,589
	(d) Intangible assets under development	2(c)	-	3,95,06,759
	(e) Financial assets			
	(i) Other financial assets	3	47,92,255	47,92,255
	(f) Other non-current assets	4	5,89,55,487	5,79,22,819
	<b>Total non current assets</b>		<b>96,34,09,906</b>	<b>97,34,83,844</b>
(2)	<b>Current assets</b>			
	(a) Inventories	5	26,57,24,109	19,24,56,556
	(b) Financial assets			
	(i) Trade receivables	6	28,82,36,445	24,58,37,360
	(ii) Cash and cash equivalents	7	22,95,524	7,56,78,819
	(iii) Bank balances other than (ii) above		68,28,166	66,72,390
	(iv) Loans	8	15,31,576	16,80,236
	(c) Other current assets	9	1,97,08,564	2,29,62,959
	<b>Total current assets</b>		<b>58,43,24,385</b>	<b>54,52,88,321</b>
	<b>TOTAL ASSETS</b>		<b>1,54,77,34,291</b>	<b>1,51,87,72,165</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	10	26,54,03,220	25,55,28,220
	(b) Other equity	11	73,06,64,190	78,16,94,813
	<b>Total Equity</b>		<b>99,60,67,410</b>	<b>1,03,72,23,033</b>
	<b>LIABILITIES</b>			
(1)	<b>Non current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	12	6,27,39,961	7,32,84,780
	(b) Provisions	13	2,24,22,629	2,24,16,845
	(c) Deferred tax liabilities (Net)	14	1,52,82,850	2,21,92,755
	<b>Total Non current liabilities</b>		<b>10,04,45,440</b>	<b>11,78,94,380</b>
(2)	<b>Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	15	18,20,66,729	14,24,84,353
	(ii) Trade payables			
	" - Total outstanding dues of micro enterprises and small enterprises"	16 (a)	6,10,26,822	4,74,88,714
	" - Total outstanding dues of creditors other than micro enterprises and small enterprises"	16 (b)	6,92,52,735	5,58,59,628
	(b) Other current liabilities	18	13,83,79,531	11,74,41,868
	(c) Provisions	19	4,95,623	3,80,189
	<b>Total Current liabilities</b>		<b>45,12,21,440</b>	<b>36,36,54,752</b>
	<b>TOTAL LIABILITIES</b>		<b>55,16,66,880</b>	<b>48,15,49,132</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,54,77,34,291</b>	<b>1,51,87,72,165</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached.

1-2

**For M/s Kirtane & Pandit LLP**  
Chartered Accountants  
Firm Registration No. 105215W/W100057

**Parag Pansare**  
Partner

Membership No. 117309 Pune, May 27, 2022

For and on behalf of the Board of Directors

**Jignesh Raval**  
Managing Director  
DIN: 01591000

**Hari Nair**  
Chairman  
DIN: 00471889

**Pankaj Bhatwadekar**  
Chief Financial Officer

**Anuja Joshi**  
Company Secretary  
Membership No. A32971

# PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2022



Sr. No	Particulars	Notes	March 31, 2022 ₹	March 31, 2021 ₹
I	Gross revenue from operations	19	59,88,81,326	47,19,86,697
II	Other income	20	22,11,763	49,17,577
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>60,10,93,089</b>	<b>47,69,04,274</b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of materials consumed	21	25,79,36,883	19,06,62,463
	Changes in inventory - work in progress	22	(4,88,94,962)	(1,39,76,092)
	Other Manufacturing Expenses	23	13,79,75,961	10,20,65,338
	Employee benefit expense	24	7,49,48,722	6,12,41,631
	Finance costs	25	2,88,39,975	3,86,58,586
	Depreciation and amortization expense	26	7,07,80,871	6,23,00,254
	Other expenses	27	12,50,79,170	9,78,75,525
	<b>Total expenses</b>		<b>64,66,66,619</b>	<b>53,88,27,706</b>
<b>V</b>	<b>Loss before tax (III - IV)</b>		<b>(4,55,73,530)</b>	<b>(6,19,23,432)</b>
<b>VI</b>	<b>Tax expense:</b>			
	(1) Current tax	31	-	-
	(2) Deferred tax	32	71,65,293	1,60,28,954
	(3) Taxes related to previous period		-	(11,51,418)
<b>VII</b>	<b>Loss for the period (V - VI)</b>		<b>(3,84,08,237)</b>	<b>(4,70,45,896)</b>
VIII	<b>Other Comprehensive Income</b>			
	A) (i) Items that will not be reclassified to profit or loss		9,18,002	2,33,825
	" (ii) Income tax relating to items that will not be reclassified to profit or loss"		-	-
	B) (i) Items that will be reclassified to profit or loss		(2,55,388)	(65,050)
	" (ii) Income tax relating to items that will be reclassified to profit or loss"		-	-
	<b>Total Other Comprehensive Income</b>		<b>6,62,614</b>	<b>1,68,775</b>
<b>IX</b>	<b>Total Comprehensive Income [comprising Loss (after tax) and Other Comprehensive Income (after tax) for the period] (VII+VIII)</b>		<b>(3,77,45,623)</b>	<b>(4,68,77,121)</b>
<b>X</b>	<b>Earning per equity share:</b>			
	Basic	37	(1.45)	(1.79)
	Diluted		(1.45)	(1.79)

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached.

For M/s Kirtane & Pandit LLP  
Chartered Accountants  
Firm Registration No. 105215W/W100057

For and on behalf of the Board of Directors

Parag Pansare  
Partner  
Membership No. 117309

Jignesh Raval  
Managing Director  
DIN: 01591000

Hari Nair  
Chairman  
DIN: 00471889

Pankaj Bhatawadekar  
Chief Financial Officer

Anuja Joshi  
Company Secretary  
Membership No. A32971

Pune, May 27, 2022

Pune, May 27, 2022

# CASH FLOW STATEMENT AS AT 31ST MARCH, 2022



Sr. No	Particulars	March 31, 2022 ₹	March 31, 2021 ₹
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Loss before tax</b>	(4,55,73,530)	(6,19,23,432)
	Adjustments for:		
	Deferred Tax Adjustment	69,09,905	1,59,63,904
	Re-measurement of post employment benefit obligation	9,18,002	2,33,825
	Provision for tax	-	(11,51,418)
	Depreciation, amortisation and impairment	7,07,80,871	6,23,00,254
	Interest earned	(4,75,119)	(6,16,884)
	Interest charged	2,88,39,975	3,86,58,586
	<b>Operating profit before working capital changes</b>	<b>6,14,00,104</b>	<b>5,34,64,835</b>
	Changes in:		
	<b>(Increase)/decrease in sundry debtors</b>	(4,23,99,085)	(2,43,97,727)
	<b>(Increase)/decrease in inventories</b>	(7,32,67,554)	(3,41,25,465)
	<b>(Increase)/decrease in loans and advances</b>	34,03,055	2,16,32,874
	Increase/(decrease) in current liabilities	4,79,84,312	(3,50,53,901)
	Increase/(decrease) in provisions	(69,04,122)	(2,86,04,917)
	<b>NET CASH GENERATED FROM OPERATIONS</b>	<b>(97,83,290)</b>	<b>(4,70,84,302)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of fixed assets and intangibles	(5,96,74,265)	(95,94,054)
	Changes in non current assets	(10,32,668)	1,41,39,828
	Interest received	4,75,119	6,16,884
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(6,02,31,813)</b>	<b>51,62,658</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of Shares	-	22,22,45,263
	Refund of share application money	(34,10,000)	-
	Proceeds from / (repayment of) long term loans & borrowings	2,90,37,558	(6,72,13,532)
	Finance charges	(2,88,39,975)	(3,86,58,586)
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(32,12,417)</b>	<b>11,63,73,145</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(7,32,27,520)</b>	<b>7,44,51,502</b>
	<b>Opening Balance of Cash or Cash equivalent</b>	<b>8,23,51,210</b>	<b>78,99,709</b>
	<b>Cash and cash equivalents at the end of the period</b>	<b>91,23,690</b>	<b>8,23,51,210</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached.

For M/s Kirtane & Pandit LLP  
Chartered Accountants  
Firm Registration No. 105215W/W100057

For and on behalf of the Board of Directors

Parag Pansare  
Partner  
Membership No. 117309

Jignesh Raval  
Managing Director  
DIN: 01591000

Hari Nair  
Chairman  
DIN: 00471889

Pankaj Bhatawadekar  
Chief Financial Officer

Anuja Joshi  
Company Secretary  
Membership No. A32971

Pune, May 27, 2022

Pune, May 27, 2022



# STATEMENT OF CHANGES IN EQUITY

## AS AT 31ST MARCH, 2022



### A. Equity Share Capital

Particulars	No. of Shares	Amount in ₹
Equity Shares of Rs. 10 each issued, subscribed and fully paid		
<b>Balance as on 1st April 2020</b>	2,42,02,822	24,20,28,220
Changes in equity share capital during the year	13,50,000	1,35,00,000
<b>Balance as on 31st March 2021</b>	<b>2,55,52,822</b>	<b>25,55,28,220</b>
Changes in equity share capital during the year	9,87,500	98,75,000
<b>Balance as on 31st March 2022</b>	<b>2,65,40,322</b>	<b>26,54,03,220</b>

### B. Other Equity

Particulars	Reserves and Surplus			Equity Component - 4 % CCD	Share Application Money	Total
	Securities Premium	Retained Earnings	Revaluation Reserve			
<b>Balance as on 1st April 2020</b>	45,41,15,888	8,57,10,783	8,00,00,000	-	-	61,98,26,671
Profit/(Loss) for the year 2020-21	-	(4,70,45,896)	-	-	-	(4,70,45,896)
Adjustment during the year	7,30,10,263	-	-	13,23,25,000	34,10,000	20,87,45,263
Actuarial Gain/(Loss) on OCI	-	1,68,775	-	-	-	1,68,775
<b>Adjustments</b>						
<b>Balance as on 31st March 2021</b>	<b>52,71,26,151</b>	<b>3,88,33,662</b>	<b>8,00,00,000</b>	<b>13,23,25,000</b>	<b>34,10,000</b>	<b>78,16,94,813</b>
Profit/(Loss) for the year 2021-22	-	(3,84,08,237)	-	-	-	(3,84,08,237)
Adjustment during the year	5,62,87,500	-	-	(6,61,62,500)	(34,10,000)	(1,32,85,000)
Actuarial Gain/(Loss) on OCI	-	6,62,614	-	-	-	6,62,614
<b>Adjustments</b>						
<b>Balance as on 31st March 2022</b>	<b>58,34,13,651</b>	<b>10,88,039</b>	<b>8,00,00,000</b>	<b>6,61,62,500</b>	<b>-</b>	<b>73,06,64,190</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached.

For M/s Kirtane & Pandit LLP  
Chartered Accountants  
Firm Registration No. 105215W/W100057

For and on behalf of the Board of Directors

Parag Pansare  
Partner  
Membership No. 117309

Jignesh Raval  
Managing Director  
DIN: 01591000

Hari Nair  
Chairman  
DIN: 00471889

Pankaj Bhatawadekar  
Chief Financial Officer

Anuja Joshi  
Company Secretary  
Membership No. A32971

Pune, May 27, 2022

Pune, May 27, 2022

## NOTES TO ACCOUNTS



### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(All amounts are in rupees unless otherwise stated)

#### 1) THE CORPORATE OVERVIEW

Sintercom India Limited is engaged in manufacturing of sintered metal components and auto components. The Company is into manufacture of various auto components required in various automobile applications and is supplying to various Auto Original Equipment Manufacturers (OEM's). The Company has its manufacturing plant in Talegaon Dabhade.

#### 2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time] and other relevant provisions of the Act.

The Financial Statements up to the year ended 31 March, 2020 were prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP"). The Company prepared the financial statements in accordance with Ind AS from the year ended 31 March 2021 onwards.

##### a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis at the end of each reporting period.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

##### b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months from the reporting, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months from the date of reporting.

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months from the date of reporting, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months from the date of reporting.
- Current liabilities include the current portion of long-term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**c) Rounding of amounts**

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

**3) SIGNIFICANT ACCOUNTING POLICIES**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Property, plant and equipment**

• **Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs that are directly attributable to acquisition, construction & production of a qualifying asset for the period up to the date, the asset is ready for its intended use or sale are included in the cost of the asset to which they relate.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

• **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

• **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

• **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the company based on technical evaluation except in the case of following assets:

Description	Useful life considered	Justification for deviation
Building	45 Years	Based on past history of usage and supported by technical evaluation report.
Plant & Machinery (Including electrical installations)	20 Years	
Office Equipment	10 years	

Freehold land is not depreciated.

**b) Intangible assets**

• **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the company, and is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets

are not capitalized & the related expenditure is recognized in the statement of profit & loss when incurred.

- **Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its intangible assets, measured as per the Indian GAAP as at 31 March 2019 and use those carrying values as deemed cost as at the date of transition to Ind AS i.e 1 April 2019.

- **Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

**c) Leases**

- **Company as a lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Payments under operating leases are recognised in the statement of profit and loss generally on straight line basis.

- **Company as lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on straight line basis.

**d) Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

- **Reversal of impairment loss**

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**e) Inventories**

Raw materials, stores and spares are valued at lower of cost and net realizable value. Cost is determined using weighted average method.

Work in process and finished goods other than by-products are valued at lower of cost and net realizable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity, but excluding borrowing costs. Cost is arrived at by absorption cost method.

By-products are valued at net realisable value.

Necessary provisions are made for obsolete and non-moving inventories as per the policy framed by the management and the value of inventory is net of such provision.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits

with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**g) Revenue recognition**

Revenue from sale of goods is recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. It excludes Goods and Service tax (GST). Sales are stated net of discounts, rebates and returns.

**h) Other income**

- **Interest income**

Interest income from financial asset is recognized when it is probable that the economic benefits will flow to the company & the amount of income can be measured reliably.

Interest income from debt instruments is recognised using Effective Interest Rate method (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

- **Any other incomes are accounted for on accrual basis.**

**i) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

**j) Foreign currency transactions and balances**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the initial transaction.

**k) Employee Benefits**

- **Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

- **Post-employment benefits**

**Defined contribution plans**

Provident fund scheme is a defined contribution plan. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. The Company has a policy of accounting gratuity on actuarial basis & leave encashment liability on actual basis.

**Defined benefit plans**

The Company do not have any Defined Benefit Obligation plan.

**l) Income tax**

Income tax expense comprises of current tax and net change in the deferred tax asset & deferred tax liability during the year. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

- **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the end of the reporting date.

- **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**m) Provisions and contingencies**

A provision is recognised when the company has a present obligation (legal or constructive) as a result of a past event, and is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**n) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable



- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

#### **o) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Initial recognition and measurement**

Financial instruments are initially recognised when the entity becomes party to the contractual provisions of the instrument

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

- **Subsequent measurement of financial assets**

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

- **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

**Debt instruments at fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

**Debt instruments at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity investments**

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity

instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- **Subsequent measurement of financial liabilities**

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will be recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

- **Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Impairment of financial assets**

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

- **Derivative financial instruments**

- **Initial measurement and subsequent measurement**

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial

liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**p) Cash dividend**

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

**q) Earnings per share (EPS)**

Basic & diluted earnings per share is reported in accordance with Ind AS-33- Earnings Per Share. Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**r) Operating reporting**

**Identification of Segments**

The Company's operating business predominantly relates to manufacture of iron castings.

**4) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the financial statements in conformity with the recognition & measurement principles of Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actual results may differ from these estimates.

**Judgments**

In the process of applying the Company's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**Operating segment**

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Managing Director being the Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to recognition of segments. Accordingly, the Company recognizes Iron Castings as its sole Segment.

**Contingent liability**

The Company has received various orders and notices from different Government authorities and tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and discloses the information relating to contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Deferred Tax**

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits are unused tax losses can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.



Sintercom India Limited  
Notes forming part of Financial Statements for the year ended 31st March, 2022

## 2 (a) Property, Plant and Equipment

(Figures in ₹)

Particulars	Freehold Land	Building	Plant & Equipment (Including Electrical Installation)	Furniture & Fixture	Office Equipment	Vehicles	Computer	Total	CWIP
<b>Gross Carrying Amount</b>									
<b>Balance as at April 1, 2020</b>	92,046,534	66,651,475	1,006,892,357	14,384,602	5,560,051	12,196,614	3,207,002	1,200,938,634	594,500
Additions for the year 2020-21	-	-	317,859	-	210,593	-	65,994	594,446	406,450
Disposals/Deductions for the year 2020-21	-	-	75,000	-	-	-	-	75,000	-
<b>Balance as at March 31, 2021</b>	<b>92,046,534</b>	<b>66,651,475</b>	<b>1,007,135,216</b>	<b>14,384,602</b>	<b>5,770,644</b>	<b>12,196,614</b>	<b>3,272,996</b>	<b>1,201,458,080</b>	<b>1,000,950</b>
Additions for the year 2021-22	-	-	51,156,081	349,739	126,000	-	-	51,631,820	8,114,089
Disposals/Deductions for the year 2021-22	-	-	-	-	-	9,877,296	-	9,877,296	-
<b>Balance as at March 31, 2022</b>	<b>92,046,534</b>	<b>66,651,475</b>	<b>1,058,291,297</b>	<b>14,734,341</b>	<b>5,896,644</b>	<b>2,319,318</b>	<b>3,272,996</b>	<b>1,243,212,605</b>	<b>9,115,039</b>
<b>Accumulated Depreciation</b>									
<b>Balance as at April 1, 2020</b>	-	16,226,044	364,743,136	9,384,850	4,445,066	5,278,716	3,167,291	403,245,102	-
Depreciation for the year 2020-21	-	1,416,207	53,528,646	958,531	395,231	1,448,176	99,715	57,846,506	-
Disposals/Deductions for the year 2020-21	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>17,642,251</b>	<b>418,271,782</b>	<b>10,343,380</b>	<b>4,840,297</b>	<b>6,726,892</b>	<b>3,267,006</b>	<b>461,091,608</b>	<b>-</b>
Additions for the year 2021-22	-	1,416,207	54,600,256	862,282	361,702	825,363	5,990	58,071,800	-
Disposals/Deductions for the year 2021-22	-	-	-	-	-	(5,232,937)	-	(5,232,937)	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>19,058,458</b>	<b>472,872,038</b>	<b>11,205,662</b>	<b>5,201,999</b>	<b>2,319,318</b>	<b>3,272,996</b>	<b>513,930,471</b>	<b>-</b>
<b>Carrying Amount (Net)</b>									
<b>Balance as at March 31, 2021</b>	<b>92,046,534</b>	<b>49,009,224</b>	<b>588,863,434</b>	<b>4,041,221</b>	<b>930,347</b>	<b>5,469,722</b>	<b>5,990</b>	<b>740,366,472</b>	<b>1,000,950</b>
<b>Balance as at March 31, 2022</b>	<b>92,046,534</b>	<b>47,593,017</b>	<b>585,419,259</b>	<b>3,528,678</b>	<b>694,644</b>	<b>-</b>	<b>-</b>	<b>729,282,133</b>	<b>9,115,039</b>

## 2(c) Other Intangible Assets

(Figures in ₹)

Particulars	Sinter Technology	Software	Total	Intangible Under Development	Total
<b>Gross Carrying Amount</b>					
<b>Balance as at April 1, 2020</b>	193,950,457	6,835,601	<b>200,786,058</b>	39,506,757	<b>39,506,757</b>
Additions for the year 2020-21	-	8,668,155	<b>8,668,155</b>	-	-
Disposals/Deductions for the year 2020-21	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>193,950,457</b>	<b>15,503,756</b>	<b>209,454,213</b>	<b>39,506,757</b>	<b>39,506,757</b>
Additions for the year 2021-22	43,699,463	380,000	<b>44,079,463</b>	4,467,706	4,467,706
Disposals/Deductions for the year 2021-22	-	-	-	43,974,463	43,974,463
<b>Balance as at March 31, 2022</b>	<b>237,649,920</b>	<b>15,883,756</b>	<b>253,533,676</b>	<b>-</b>	<b>-</b>
<b>Accumulated Depreciation</b>					
<b>Balance as at April 1, 2020</b>	68,520,096	6,586,890	75,106,986	-	-
Amortisation charge for the year 2020-21	4,247,361	205,277	4,452,638	-	-
Disposals/Deductions for the year 2020-21	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>72,767,457</b>	<b>6,792,167</b>	<b>79,559,624</b>	<b>-</b>	<b>-</b>
Additions for the year 2021-22	9,707,991	3,001,080	12,709,071	-	-
Disposals/Deductions for the year 2021-22	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>82,475,448</b>	<b>9,793,247</b>	<b>92,268,695</b>	<b>-</b>	<b>-</b>
<b>Carrying Amount (Net)</b>					
<b>Balance as at March 31, 2021</b>	<b>121,183,000</b>	<b>8,711,589</b>	<b>129,894,589</b>	<b>39,506,757</b>	<b>39,506,757</b>
<b>Balance as at March 31, 2022</b>	<b>155,174,472</b>	<b>6,090,509</b>	<b>161,264,981</b>	<b>-</b>	<b>-</b>

**Note: CWIP ageing Schedule****A) Tangible Assets under development***(Figures in ₹)*

Project in Progress	Amount of tangible CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
As at March 31, 2021	406,450	594,500	-	-	1,000,950
As at March 31, 2022	8,114,100	406,450	594,500	-	9,115,050

Delay in implementation of CWIP outstanding for more than 2 years is mainly due to Covid pandemic. The same is expected to commence during FY 2023.

**B) Intangible Assets under development***(Figures in ₹)*

Project in Progress	Amount of Intangible CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
As at March 31, 2021	39,506,759	-	-	-	39,506,759
As at March 31, 2022	-	-	-	-	-

Sintercom India Limited  
Notes forming part of Financial Statements for the year ended 31st March, 2022

3 Other Non Current Financial Assets

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Unsecured, considered good</b>		
Security deposits	3,258,296	3,258,296
<b>Others:</b>		
Fixed deposits (Refer note (a) below)	1,533,959	1,533,959
<b>Total</b>	<b>4,792,255</b>	<b>4,792,255</b>

**Note:**

The above fixed deposit is kept with Punjab National Bank as margin money for the bank guarantee issued to Customs department for clearance under EPCG scheme & to Maharashtra Pollution Control Board)

4 Other Non Current Assets

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Unsecured and Considered good.</b>		
<b>Others:</b>		
Advance Income Tax	22,640,028	21,692,993
MAT Credit Entitlement	36,229,826	36,229,826
Prepaid Expenses	85,633	-
<b>Total</b>	<b>58,955,487</b>	<b>57,922,819</b>

5 Inventories

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Raw materials	9,576,506	6,969,889
Work in progress	86,642,026	85,028,874
Finished Goods	10,985,150	5,708,005
Loose tools	128,249,024	76,019,330
Stores & spares	30,271,403	18,730,459
<b>Total</b>	<b>265,724,109</b>	<b>192,456,556</b>

6 Trade receivables

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Trade receivables (Unsecured) :</b>		
Receivables considered good	259,999,343	211,532,339
Receivables which are credit impaired	-	-
	<b>259,999,343</b>	<b>211,532,339</b>
Less: Allowance for bad and doubtful trade receivables	-	-
<b>Total Trade Receivables</b>	<b>259,999,343</b>	<b>211,532,339</b>
Unbilled Revenue	28,237,102	34,305,021
<b>Total</b>	<b>288,236,445</b>	<b>245,837,360</b>



## Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2022							
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled Dues	Total
Undisputed trade receivables - Considered good	231,253,311	41,091,247	(18,774,227)	2,857,136	1,787,611	1,784,264	28,237,102	288,236,445
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>231,253,311</b>	<b>41,091,247</b>	<b>(18,774,227)</b>	<b>2,857,136</b>	<b>1,787,611</b>	<b>1,784,264</b>	<b>28,237,102</b>	<b>288,236,445</b>
Less: Allowance for credit impairment	-	-	-	-	-	-	-	-
<b>Total</b>	<b>231,253,311</b>	<b>41,091,247</b>	<b>(18,774,227)</b>	<b>2,857,136</b>	<b>1,787,611</b>	<b>1,784,264</b>	<b>28,237,102</b>	<b>288,236,445</b>

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2021							
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled Dues	Total
Undisputed trade receivables - Considered good	192,435,352	6,243,235	1,459,193	1,308,898	346,583	9,739,078	34,305,021	245,837,360
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Sub Total</b>	<b>192,435,352</b>	<b>6,243,235</b>	<b>1,459,193</b>	<b>1,308,898</b>	<b>346,583</b>	<b>9,739,078</b>	<b>34,305,021</b>	<b>245,837,360</b>
Less: Allowance for credit impairment	-	-	-	-	-	-	-	-
<b>Total</b>	<b>192,435,352</b>	<b>6,243,235</b>	<b>1,459,193</b>	<b>1,308,898</b>	<b>346,583</b>	<b>9,739,078</b>	<b>34,305,021</b>	<b>245,837,360</b>

Note: "Not dues" in above aging is derived as per payment terms of the respective customers.

## 7 Cash and Cash Equivalents

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Cash in hand	141,443	252,646
Bank Balances		
Current accounts	2,154,082	75,426,174
	<b>2,295,524</b>	<b>75,678,819</b>
<b>Other bank balances</b>		
Margin money deposits	6,828,166	6,672,390
	<b>6,828,166</b>	<b>6,672,390</b>
<b>Total</b>	<b>9,123,690</b>	<b>82,351,210</b>

**Note:**

The above margin money deposit is kept with HDFC Bank Ltd for margin for the letter of credit limit.

## 8 Loans and advances

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Unsecured, considered good</b>		
<b>Others:</b>		
Employees Advances	1,531,576	1,680,236
<b>Total</b>	<b>1,531,576</b>	<b>1,680,236</b>

## 9 Other Current Assets

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Unsecured, considered good</b>		
Supplier advances	12,238,263	14,475,578
<b>Other current assets:-</b>		
Interest accrued on Bank deposits	1,082,798	967,920
Others	6,387,504	7,519,460
<b>Total</b>	<b>19,708,564</b>	<b>22,962,959</b>

## 10 Equity Share Capital

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Authorised share capital</b> 2,76,00,000 Equity shares of Rs. 10 each (Previous year - 2,76,00,000 Equity shares of Rs. 10 each)	276,000,000	276,000,000
<b>Issued</b> 2,65,40,322 Equity shares of Rs. 10 each fully paid (Previous year - 2,55,52,822 Equity shares of Rs. 10 each fully paid)	265,403,220	255,528,220
<b>Subscribed &amp; paid up share capital</b>  2,65,40,322 Equity shares of Rs. 10 each fully paid (Previous year - 2,55,52,822 Equity shares of Rs. 10 each fully paid)	265,403,220	255,528,220

## a Reconciliation of the shares at the beginning and at the end of the reporting period.

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number	₹	Number	₹
<b>Equity shares</b>				
Balance at the beginning of the year	25,552,822	255,528,220	24,202,822	242,028,220
Shares issued during the year *	987,500	9,875,000	1,350,000	13,500,000
Shares bought back during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>26,540,322</b>	<b>265,403,220</b>	<b>25,552,822</b>	<b>255,528,220</b>

\*During the year ended 31st March, 2022 the Company has allotted 9,87,500 equity shares of face value Rs. 10 each pursuant to conversion of 50% of Compulsorily Convertible debentures issued to Miba Sinter Holding GmbH & CO KG on 3rd March 2021.

## b Terms/rights attached to equity shares

The company has only one class of share having par value of Rs 10. Each holder of equity share is entitled to one vote per share. In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

## c Details of shareholders holding more than 5% shares in the Company

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of shares	Shareholding %	Number of shares	Shareholding %
BRN Industries Ltd	9,452,700	35.62%	9,552,700	39.47%
MIBA Sinter Holding GmbH & Co KG	7,426,585	27.98%	6,339,085	20.61%

## d Shares held by Promoter's Group at the end of the year As at March 31, 2022

Name of the Promoter Group	No. of shares at beginning of the year	No. of shares at the end of the year	% of Total Shares	Changes during the year	% Changes during the year
Brn Industries Limited	9,552,700	9,452,700	35.62%	(100,000)	-0.38%
Miba Sinter Holding GmbH And Co Kg	6,339,085	7,426,585	27.98%	1,087,500	4.10%
Individual/HUF/Other	1,335,037	1,335,037	5.03%	-	-
<b>Total</b>	<b>15,891,785</b>	<b>18,214,322</b>	<b>68.63%</b>	<b>987,500</b>	<b>3.72%</b>

**11 Other Equity**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Securities premium account	583,413,651	527,126,151
Revaluation reserve	80,000,000	80,000,000
Equity Component - 4 % CCD	66,162,500	132,325,000
Interest on Equity Component - 4 % CCD	-	-
Share Application Money	-	3,410,000
<b>Retained Earnings</b>		
Balance at the beginning of the year	38,833,662	85,710,783
Add: Surplus/(Deficit) for the year	(38,408,237)	(47,045,896)
Add: Other Comprehensive Income	662,614	168,775
<b>Balance at the end of the year</b>	<b>1,088,039</b>	<b>38,833,662</b>
<b>Total</b>	<b>730,664,190</b>	<b>781,694,813</b>

**Description of Components of the other equity****Securities Premium:**

Premium received on equity shares are recognised in the securities premium.

**Retained Earnings:**

Retained earnings are profits that the Company has earned till date, less dividends other other distributions paid to shareholders. It also includes remeasurement gain/loss of defined benefit plan.

**Other Comprehensive Income (OCI):**

Actuarial gain/loss on the retirement benefits of employees are recorded in OCI.

Retained earnings are profits that the Company has earned till date, less dividends or other distribution paid to shareholders. It also includes remeasurement gain/(loss) of defined benefit plans.

**12 Borrowings**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Secured</b>		
Term loan from Banks	16,996,518	31,459,376
<b>Unsecured loans -</b>		
<b>a. From related parties -</b>		
- Directors	25,026,477	15,385,173
- Companies	6,840,392	1,412,639
<b>b. From others</b>	13,876,575	25,027,592
<b>Total</b>	<b>62,739,961</b>	<b>73,284,780</b>

**Terms of Borrowings**

Type of Loan	Loan availed (Rs. in million)	Interest rate per annum payable	Terms of Repayment
<b>Secured</b>			
Term loan from Banks	10.31	8.40%	Repayments in monthly installments of equal principal till December
	12.35	8.40%	Repayments in monthly installments of equal principal till December
	27.55	8.25%	Repayments in monthly installments of equal principal till August 2024
	0.85	8.40%	Repayments in monthly installments of equal principal till December

**Security:** The above term loans are secured by way of hypothecation of plant and machinery of the company and mortgage of factory land and building. Further, these term loans are secured by way of personal guarantees of Mr. Jignesh Raval, Managing Director.

Type of Loan	Loan availed (Rs. in million)	Interest rate per annum payable monthly	Terms of Repayment
<b>Unsecured loans -</b>			
From related parties -			
- Directors	25.03	12.00%	Payable on demand
- Companies	6.84	8.25%	Payable on demand
From others	27.17	12.00%	Repayments in monthly installments of equal principal till Sept 2023
From others	3.56	10.50%	Repayments in monthly installments of equal principal till August 2024

There is no continuing default, as at the balance sheet date, in repayment of any of the above loans.

**13 Other Non Current Liabilities & Provisions**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Long Term Provisions</b>		
Provision for retirement benefits - Gratuity	5,347,966	5,342,182
<b>Others :</b>		
Provision for taxation	17,074,663	17,074,663
<b>Total</b>	<b>22,422,629</b>	<b>22,416,845</b>

**14 Deferred Tax Liability (Net)**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Deferred tax adjustment</b>		
Deferred tax asset	97,927,181	88,561,099
Deferred tax liabilities	113,210,031	110,753,855
<b>Total</b>	<b>15,282,850</b>	<b>22,192,755</b>

**15 Borrowings (Current)**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Working capital loans payable on demand from banks</b>		
HDFC Bank Ltd.	129,081,296	78,578,273
HDFC Bank Ltd. - L/C Limit	-	-
Current maturities of long term borrowings	52,985,433	63,906,080
<b>Total</b>	<b>182,066,729</b>	<b>142,484,353</b>

**Note:**

Working Capital loans from the banks are secured by hypothecation of inventories, book debts and receivable. Further the above mentioned working capital limits are secured by personal guarantee of Mr. Jignesh Raval, Managing Director.

Monthly statements of current assets filed by the Company with banks are in agreement with the books of accounts

**16 Trade Payables**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Total outstanding dues of micro enterprises and small enterprises	61,026,822	47,488,714
Total outstanding dues of creditors other than micro enterprises and small enterprises	69,252,735	55,859,628
<b>Total</b>	<b>130,279,557</b>	<b>103,348,342</b>

**Disclosure in respect of principal and interest pertaining to the "Micro, Small and Medium Enterprises Development Act 2006". The information has been given in respect of such vendors on the basis of information available with the Company:**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Principal amount due	61,026,822	47,488,714
Interest due on above	1,940,823	2,318,739
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	-	-
Amount of interest due and payable for the period of delay	1,940,823	2,318,739
Amount of interest accrued and remaining unpaid as at the year end	1,940,823	2,318,739
Amount of further interest remaining due and payable in the succeeding year	-	-



## Trade Payables

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2022					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	46,081,548	12,757,224	(1,850,533)	4,038,582	-	<b>61,026,822</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	28,182,246	40,103,858	966,632	-	-	<b>69,252,735</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>74,263,794</b>	<b>52,861,082</b>	<b>(883,901)</b>	<b>4,038,582</b>	<b>-</b>	<b>130,279,557</b>

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2021					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	6,613,566	20,844,059	20,031,089	-	-	<b>47,488,714</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,038,251	31,594,529	(773,152)	-	-	<b>55,859,628</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>31,651,817</b>	<b>52,438,588</b>	<b>19,257,937</b>	<b>-</b>	<b>-</b>	<b>103,348,342</b>

**17 Other Current Liabilities**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Capital Creditors	9,516,418	7,158,919
Other contractual liabilities	58,979,929	63,316,485
Duties & taxes	7,024,915	5,016,046
Dues payable to government authorities	31,301,063	25,561,195
Salary payable	4,750,017	4,810,955
Provision for other expenses	26,807,189	11,578,267
<b>Total</b>	<b>138,379,531</b>	<b>117,441,868</b>

**18 Other Current Provisions**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Provision for retirement benefits - Gratuity	495,623	380,189
<b>Others:</b>		
Provision for taxation	-	-
<b>Total</b>	<b>495,623</b>	<b>380,189</b>

## 19 Revenue from Operations

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Revenue from Sale of Products</b>		
- Manufactured goods	594,566,993	448,244,073
<b>Other operating income</b>		
- Tooling Sales	1,025,255	22,055,225
- Scrap Sales	3,289,078	1,687,399
- Export Incentive	-	-
<b>Total</b>	<b>598,881,326</b>	<b>471,986,697</b>

Revenue disaggregation is as follows:

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Disaggregation based on geography</b>		
<b>India</b>	597,666,190	471,986,697
<b>Outside India</b>	1,215,136	-

## 20 Other Income

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Interest Income on:</b>		
- Financial Assets carried at amortised costs	2,211,763	4,917,577
<b>Total</b>	<b>2,211,763</b>	<b>4,917,577</b>

## 21 Cost of materials consumed

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Opening Stock of Raw material	6,969,889	5,284,561
Add: Purchases during the period	260,543,500	192,347,791
	267,513,388	197,632,352
Less: Closing Stock of Raw material	9,576,506	6,969,889
<b>Raw material consumed</b>	<b>257,936,883</b>	<b>190,662,463</b>

## 22 Changes in inventories

Changes in inventories of work in progress/FG

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Stock at the beginning of the year:		
Work in progress/FG	94,300,385	78,698,869
Total (A)	94,300,385	78,698,869
Stock at the end of the year:		
Work in progress/FG	97,627,176	94,300,385
Total (B)	97,627,176	94,300,385
<b>Changes in inventories (A)-(B)</b>	<b>(3,326,791)</b>	<b>(15,601,516)</b>

**Changes in other inventories**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Stock at the beginning of the year:		
Other inventory in progress	74,004,992	75,630,416
Total (A)	74,004,992	75,630,416
Stock at the end of the year:		
Other inventory in progress	119,573,163	74,004,992
Total (B)	119,573,163	74,004,992
<b>Changes in inventories (A)-(B)</b>	<b>(45,568,171)</b>	<b>1,625,424</b>
<b>Total Changes in inventories</b>	<b>(48,894,962)</b>	<b>(13,976,092)</b>

**23 Other Manufacturing Expenses**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Machining charges	68,106,282	49,752,868
Power & fuel expenses	27,775,596	24,820,127
Gas consumption	14,361,928	10,904,129
Heat treatment expenses	16,853,242	11,405,612
Other manufacturing expenses	10,878,913	5,182,603
<b>Total</b>	<b>137,975,961</b>	<b>102,065,338</b>

**24 Employee benefits expenses**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Salaries, wages and incentives	58,919,738	50,022,416
Contribution to provident and other funds	3,644,514	3,683,375
Staff welfare expenses	12,384,470	7,535,839
<b>Total</b>	<b>74,948,722</b>	<b>61,241,631</b>

**25 Finance costs**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Interest expenses		
- on term loan	8,220,284	14,025,601
- on working capital facilities	13,208,391	16,406,859
Other borrowing costs	7,411,300	8,226,125
<b>Total</b>	<b>28,839,975</b>	<b>38,658,586</b>

**26 Depreciation and amortization expenses**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Depreciation on property, plant & equipment	58,071,801	57,791,983
Amortization on intangible assets	12,709,071	4,508,271
<b>Total</b>	<b>70,780,871</b>	<b>62,300,254</b>

**27 Other expenses**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Repairs & maintenance - electricals	297,299	447,810
Repairs & maintenance -machinery	6,729,964	4,457,070
CSR expenses	570,860	-
Consumable & spares	10,051,067	4,391,213
Contract labour charges	16,051,535	20,129,204
Royalty	639,706	-
Transportation & octroi	11,421,171	4,281,773
Freight outward	20,022,740	25,506,636
Rejection/rework costs	6,263,322	1,568,738
Packing expenses	10,731,290	6,799,413
Selling expenses	1,637,703	1,027,459
Foreign exchange loss	740,455	158,379
Payments to auditor		
(a) as auditor	830,600	830,600
(b) for taxation matter	-	-
(c) for other services	306,500	134,708
(d) for out of pocket expenses	-	-
Development cost	1,378,940	918,444
Insurance expenses	1,053,478	1,046,407
Legal, professional & consultancy charges	4,493,342	3,815,425
Loss of sale of assets	1,294,359	-
Directors sitting fees	825,000	547,500
Other expenses	7,324,402	6,158,518
Bank Charges	237,136	423,853
Other interest Costs	5,390,321	5,302,267
Postage & courier expenses	114,496	33,764
Rents, rates & taxes	6,828,983	2,131,182
Repairs & maintenance - building	673,522	211,973
Repairs & maintenance - others	1,509,590	458,665
Security & housekeeping expenses	4,967,361	4,527,242
Telephone & internet expenses	747,413	574,866
Travelling & conveyance expenses	1,819,283	1,686,710
Vehicle expenses	127,334	305,704
<b>Total</b>	<b>125,079,170</b>	<b>97,875,525</b>

**28 Contingent Liabilities**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Bank Guarantee	974,110	974,110
Claims against the Company not acknowledged as debt		
Income Tax	146,922	858,765
<b>Total</b>	<b>1,121,032</b>	<b>1,832,875</b>

The Company does not expect any payments in respect of the above contingent liabilities.

**29 Capital commitments and other commitments**

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Capital commitments</b>		
Estimated value of contracts on capital account remaining to be executed not provided for.	5,300,914	33,662,734
<b>Total</b>	<b>5,300,914</b>	<b>33,662,734</b>

## 30 Other commitments

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Other commitments</b>		
Counter guarantee given to bank for bank guarantee issued to customs department for clearance of capital goods under EPCG scheme	15,601,505	15,601,505
<b>Total</b>	<b>15,601,505</b>	<b>15,601,505</b>

## 31 C.I.F. value of imports and expenditure in foreign currencies:

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>CIF Value of Imports</b>		
Raw Material	-	313,729
Purchase of Goods	221,851	-
Stores, Spares & Consumables	2,556,766	-
Capital goods	36,714,159	-
<b>Total</b>	<b>39,492,775</b>	<b>313,729</b>

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Expenditure in foreign currency</b>		
Traveling expenses	-	-
Repairs & Maintenance	-	-
Technology Fee	3,019,339	-
Freight Costs	137,791	-
<b>Total</b>	<b>3,157,130</b>	<b>-</b>

## 32 Remuneration to auditors

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Audit fees	830,600	830,600
Other services	306,500	134,708
<b>Total</b>	<b>1,137,100</b>	<b>965,308</b>

## 33 Related Party Disclosures

## a Associate Companies

BRN Industries Limited  
Miba Sinter Holding GmbH & CO KG  
Miba Sinter Austria GmbH  
Miba Sinter Slovakia  
AJ Fibertek India Pvt Ltd.  
Unique Auto Sourcing Pvt. Ltd.  
Miba Precision Components (China)  
Miba Sinter Brasil LTDA

## b Key management personnel

Mr. Jignesh Raval  
Mr. Pankaj Bhatawadekar  
Ms. Anuja Joshi



**Notes to the financial statements****33 c) Related Party Disclosures**

Sr. No.	Nature of Transaction	Transaction Description	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022		For the year ended March 31, 2021	
					Receivable	Payable	Receivable	Payable
<b>1</b>	<b>Purchase/ Services</b>							
	Unique Auto Sourcing Pvt. Ltd.	Other payables	-	-		1,189,769		1,415,659
	MIBA Sinter Slovakia	Purchase	129,549	98,879	-	-		
	Miba Sinter Austria GmbH	Purchase	3,864,773	-	-	3,134,212		
	Miba Precision Components (China) (Purchase of Capital Goods)	Purchase	5,463,621	-	-	2,731,152		
	Miba Sinter Brasil LTDA (Purchase of Capital Goods)	Purchase	29,642,106					
<b>2</b>	<b>Reimbursements receivable</b>							
	AJ Fibertek India Pvt Ltd.	Reimbursement	113,053	197,992	-	-	1,412,639	
	BRN Industries LTD	Reimbursement	536,338					
<b>3</b>	<b>Development Fees</b>							
	Miba Sinter Austria GmbH	Development Fees	-	55,478	-	-		3,415,378
<b>4</b>	<b>Reimbursement payable</b>							
	Miba Sinter Austria GmbH	Reimbursement	-	-				
<b>5</b>	<b>Remuneration Paid</b>							
	To Managing Director	Remuneration	14,851,452	11,848,698	-	-	-	-
	To Other KMP's	Remuneration	4,596,516	3,821,982	-	-	-	-
<b>6</b>	<b>Advances given</b>							
	To Managing Director	Advances	-	-				
	To Other KMP's	Advances		45,000	-	-	410,424	
<b>7</b>	<b>Loans Taken (Unsecured)</b>							
	Jignesh V Raval	Loan	30,450,000	47,390,000	-	25,026,478	-	12,186,998
	AJ Fibertek India Pvt Ltd.	Loan	39,786,547			6,840,392		
<b>8</b>	<b>Interest on loan taken</b>							
	Jignesh Raval	Interest	4,417,083	4,175,866	-	-		3,198,174
	AJ Fibertek India Pvt Ltd.	Interest	261,139					
<b>9</b>	<b>Issue Of Securities to Miba Sinter Holding GmbH &amp; Co Kg</b>							
	4% Compulsorily Convertible Debentures		-	132,325,000	-	-	-	-
	-50% Converted	Issue of Securities	66,162,500	-	-	-	-	-
	-50% To Be Converted	Issue of Securities	66,162,500	-	-	-	-	-

**33 c) Details of payment and provisions on account of remuneration to Managing Director & KMP's included in the Statement of profit and loss is as under:-**

		31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
		₹	₹	₹	₹	₹	₹
1	Salaries & allowances	12,796,714	10,093,758	3,236,464	2,658,605	853,506	728,098
2	Performance incentive	-	-	-	-	81,250	14,994
3	Perquisites	1,893,414	1,631,340	336,000	336,000	6,000	16,000
4	Contribution to provident fund	161,324	123,600	61,696	49,010	21,600	19,275
	<b>Total</b>	<b>14,851,452</b>	<b>11,848,698</b>	<b>3,634,160</b>	<b>3,043,615</b>	<b>962,356</b>	<b>778,367</b>

**34 Disclosure pursuant to Ind-AS 19 Employee Benefits:****Defined contribution plans****Provident fund:-**

Contribution towards provident fund for certain employees is made to the regulatory authorities, same is in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the provident fund authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

**Defined benefit plans****Gratuity:**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 amounts recognised in the financial statements in respect of Employee Benefit Schemes are as follows:

Sr. no	Particulars	March 31, 2022	March 31, 2021
		₹	₹
<b>(a)</b>	<b>Assets and Liability (Balance Sheet Position)</b>		
	Present Value of Obligation	5,843,589	5,722,371
	Fair Value of Plan Assets	-	-
	Surplus/ (Deficit)	5,843,589	5,722,371
	Effects of Asset ceiling, if any	-	-
	<b>Net Asset / (Liability)</b>	<b>5,843,589</b>	<b>5,722,371</b>
<b>(b)</b>	<b>Expenses Recognized During the period</b>		
	In income Statement	1,201,760	1,134,333
	In Other Comprehensive Income/(Loss)	(918,002)	(233,825)
	<b>Total Expenses Recognized During the Period</b>	<b>283,758</b>	<b>900,508</b>
<b>(c)</b>	<b>Change in the Present Value of Obligation</b>		
	<b>Present Value of Obligation as at the beginning</b>	5,722,371	4,856,478
	Current Service Cost	846,371	843,983
	Interest Expenses or Cost	355,389	290,350
	Re-measurement ( or actuarial) ( Gain ) / Loss arising from:	(918,002)	(233,825)
	-change in Demographic assumptions	-	-
	-change in Financial assumptions	-	-
	-experience Variance ( i.e., actual experience vs. assumptions)	-	-
	Others	-	-
	Past Service Cost	-	-
	Effect of Change in Foreign exchange rates	-	-
	Benefits paid	(162,540)	(34,615)
	Acquisition Adjustment	-	-
	Effect of Business Combinations or Disposals	-	-
	<b>Present Value of Obligation as at the End</b>	<b>5,843,589</b>	<b>5,722,371</b>
<b>(d)</b>	<b>Bifurcation of Present Value of Obligation</b>		
	Current Liability ( Short term)	495,623	380,189
	Non-Current Liability ( Long term)	5,347,966	5,342,182
	<b>Present Value of Obligation</b>	<b>5,843,589</b>	<b>5,722,371</b>

<b>(e) Changes in Fair Value of Plan Assets</b>		
<b>Fair Value of Plan Assets as at the beginning</b>	-	-
Investment income	-	-
Employer's Contribution	-	-
Employee's Contribution	-	-
Benefit Paid	-	-
Return on plan Assets, Excluding amount recognized in net interest expense	-	-
Acquisition Adjustment	-	-
<b>Fair Value of Plan Assets as at the End</b>	<b>-</b>	<b>-</b>
<b>(f) Change in the Effect of asset Ceiling</b>		
<b>Effect of Asset Ceiling at the beginning</b>	-	-
Interest Expense or cost (to the extent not recognized in net interest expense)	-	-
Re-measurement (or Actuarial) (Gain)/loss arising because of Change in effect of asset ceiling	-	-
<b>Effect of Asset Ceiling at the End</b>	<b>-</b>	<b>-</b>
<b>(g) Expenses Recognized in the income Statement</b>		
Current Service Cost	846,371	843,983
Past Service Cost	-	-
Loss/(Gain) on Settlement	-	-
Net interest cost/ (Income) on the net Defined Benefit Liability / (Asset)	355,389	290,350
<b>Expenses Recognized in the income Statement</b>	<b>1,201,760</b>	<b>1,134,333</b>
<b>(h) Other Comprehensive income</b>		
Actuarial (gains) / losses		
-change in Demographic Assumptions	-	-
-change in financial Assumptions	-	-
- Experience variance (i.e. Actual experience vs. assumptions)	-	-
-others	-	-
Return on plan assets, excluding amount recognized in net interest expense	-	-
Re-measurement (or Actuarial) (Gain)/loss arising because of Change in effect of asset ceiling	918,002	233,825
<b>Components of defined benefit costs recognized in other comprehensive income (Loss)</b>	<b>918,002</b>	<b>233,825</b>
<b>(i) Financial Assumptions</b>		
Discount Rate (per annum)	7.00%	6.30%
Salary Growth rate (per annum)	10.00%	10.00%
<b>(j) Demographic Assumptions</b>		
Mortality Rate (IALM 2012-14)	IALM(2012-14) ult	IALM(2012-14) ult
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rate (per annum)	10.00%	10.00%
<b>(k) Expected Contribution during the next annual reporting period</b>		
The Company's best estimate of Contribution during the next year (The plan is unfunded as on the valuation date)	-	-

**(l) Maturity Profile of defined benefit Obligation**

Weighted Average duration ( Based on Discounted Cash flow using mortality withdrawal rate and interest rate )

11.77 Years

12.82 Years

**(m) Sensitivity Analysis**

Particulars	Present Value Of Obligation			
	2021-22 (Rs.)	2021-22 (Rs.)	2020-21 (Rs.)	2020-21 (Rs.)
A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point	6,379,437	5,381,315	6,290,600	5,235,964
	6.00%	8.00%	5.30%	7.30%
B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point	5,438,107	6,298,849	5,295,291	6,203,336
	9.00%	11.00%	9.00%	11.00%
C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis point	5,945,850	5,753,946	5,856,626	5,605,454
	9.00%	11.00%	9.00%	11.00%

**(n) Major category of Fair Value of Plan Assets at the end of period is as under:**

Particulars	Amount		Percent	
	2021-22 (Rs.)		2020-21 (Rs.)	
In Government Securities	-			
State Government Bonds	-			
Balances in Current Accounts with scheduled Banks	-	-	-	-
Income Tax Authorities (TDS)	-			
Funds with Life Insurance Corporation of India	-	-	-	-
<b>Total</b>	-	-	-	-

**35 Assets Pledged as security**

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade receivables	288,236,445	245,837,360
Cash and cash equivalents	2,295,524	75,678,819
Bank balances	6,828,166	6,672,390
Loans	1,531,576	1,680,236
	<b>298,891,712</b>	<b>329,868,806</b>
<b>Non-Financial Assets</b>		
Inventories	265,724,109	192,456,556
Other current assets	19,708,564	22,962,959
	<b>285,432,673.33</b>	<b>215,419,514.71</b>
<b>Total Current assets Pledged as security (A)</b>	<b>584,324,385</b>	<b>545,288,321</b>
<b>Non - Current Assets</b>		
<b>Financial Assets</b>		
Margin Money and Term deposits	1,533,959	1,533,959.00
	<b>1,533,959</b>	<b>1,533,959</b>
<b>Non-Financial Assets</b>		
Land	92,046,534	92,046,534
Building	66,651,475	66,651,475
Plant & Equipments	1,058,291,297	1,007,135,216
Furniture & Fixture	14,734,341	14,384,602
Office Equipment	5,896,644	5,770,644
Intangible Assets	253,533,676	209,454,213
Capital work-in-progress	9,115,039	40,507,707
Other Non-current assets	3,258,296	3,258,296
	<b>1,503,527,301</b>	<b>1,439,208,686</b>
<b>Total Non-Current assets Pledged as security (B)</b>	<b>1,505,061,260</b>	<b>1,440,742,645</b>
<b>Total assets Pledged as security (A)+(B)</b>	<b>2,089,385,645</b>	<b>1,986,030,966</b>

## 36 Ratio Analysis and its elements

Sr. No.	Particulars	Basis	Year Ended		Variance %
			March 31, 2022	March 31, 2021	
1	Current ratio	Current Assets/Current Liabilities	1.29	1.50	-14%
2	Debt - Equity ratio	Total Debt/Equity	0.27	0.23	19%
3	Debt Service coverage ratio	Earnings for Debt Service*/Debt Service	0.66	0.38	74%
4	Return on Equity ratio	Profit after tax/Shareholders Equity	-0.04	-0.05	-15%
5	Inventory Turnover ratio	Costs of Goods Sold**/Average Inventory	3.83	3.70	4%
6	Trade Receivables turnover ratio	Revenue from Operations/Average Trade Receivables	2.24	1.91	17%
7	Trade Payables Turnover	Costs of Goods Sold**/Average Trade Payables	3.36	2.97	13%
8	Net Capital Turnover	Revenue from Operations/Working Capital	4.50	2.60	73%
9	Net Profit/(loss) Margin	Net Profit/(loss) after tax/Revenue from operations	-6.41%	-9.97%	-36%
10	Return in Capital Employed	Earnings before Interest and Tax <sup>###</sup> /Capital Employed <sup>§</sup>	4.60%	3.27%	41%

\*Earnings for Debt Service = Earnings before finance costs, depreciation and amortisation, exceptional items and tax (EBIDTA)/ (Finance cost for the year + Principal repayment of long-term debt liabilities within one year)

\*\*Cost of Good sold = Cost of materials consumed + Changes in inventories of finished goods, stock-in trade, work-in-progress + Manufacturing and operating expenses

#Working Capital = Current Assets - Current Liabilities

###Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognised)

§Capital Employed = Average of equity and total borrowings

- a **Debt Service coverage ratio (times):** Increase in the ratio by 74% is mainly on account of increase in EBIDTA margin in current year FY 21-22 and reduction in finance charges, as compared to previous year
- b **Net Capital Turnover (times):** Increase in the ratio by 73% is mainly on account of increase in net sales during the year and lower net working capital due to increase in the current liabilities, as compared to previous year
- c **Net Profit/(Loss) Margin (%):** Decrease by 36% in the current year due to improvement in profitability which in the previous year was affected mainly due to Covid-19 pandemic
- d **Return on Capital employed (%):** Increase in the ratio is on account of the increase in the EBIDTA margin during the current year FY21-22 as compared to the previous year.

### 37 Earnings/(loss) per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of 4% Compulsory Convertible Debentures.

The following reflects the income and share data used in the basic and diluted EPS computations:

Sr. No	Particulars	March 31, 2022	March 31, 2021
		₹	₹
a.	Net Profit after tax considered for the calculation of	(38,408,237)	(47,045,896)
b.	Number of equity shares outstanding at the end of year	26,540,322	25,552,822
c.	Weighted average number of equity shares used in computing earnings per equity share	26,545,733	24,310,082
d.	Effects of dilution		
	4% compulsory convertible debentures	987,500	1,975,000
e.	Weighted average number of equity shares adjusted for the effect of dilution	26,545,733	26,285,082
f.	<b>Earnings/(loss) per share</b>		
	<b>Basic (Rs.)</b>	<b>(1.45)</b>	<b>(1.79)</b>
	<b>Diluted (Rs.)</b>	<b>(1.45)</b>	<b>(1.79)</b>
g.	Face value per equity share (Rs.)	10.00	10.00

### 38 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, during the previous year March 2021, the Company has carried out preferential issue of 13,50,000 Equity Shares & 19,75,000 4% Compulsorily Convertible Debentures.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022.

### 39 Fair value measurements

#### Financial instruments by category as at 31 March 2022

Particulars	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Investments in unquoted equity shares	-	-	-
Loans	6,323,831	-	-
Trade receivables	288,236,445	-	-
Cash and cash equivalents	9,123,690	-	-
Other bank balances	-	-	-
Other financial assets excluding derivative assets	-	-	-
Derivative assets on forward exchange foreign	-	-	-
<b>Total</b>	<b>303,683,967</b>	-	-
<b>Financial liabilities</b>			
Borrowings	182,066,729	-	-
Trade payables	130,279,557	-	-
Other financial liabilities	138,875,154	-	-
<b>Total</b>	<b>451,221,440</b>	-	-

**Financial instruments by category as at 31 March 2021**

Particulars	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Investments in unquoted equity shares	-	-	-
Loans	6,472,491	-	-
Trade receivables	245,837,360	-	-
Cash and cash equivalents	82,351,210	-	-
Other bank balances	-	-	-
Other financial assets excluding derivative assets	-	-	-
<b>Total</b>	<b>334,661,061</b>	-	-
<b>Financial liabilities</b>			
Borrowings	142,484,353	-	-
Trade payables	103,348,342	-	-
Other financial liabilities	117,822,057	-	-
<b>Total</b>	<b>363,654,752</b>	-	-

**Fair value hierarchy**

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2022, 31 March 2021.

**Quantitative disclosures fair value measurement**

Particulars	Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets/(liability) measured at fair value through profit or loss</b>				
<b>Derivative Asset (Liability) on account of forward exchange contracts</b>				
Date of Valuation				
As at 31 March 2021		-	-	-
As at 31 March 2020		-	-	-
As at 1 April 2019		-	-	-

**Fair value of financial assets and financial liabilities measured at amortised cost :**

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans) and current financial liabilities (e.g. trade payables and other payables) approximate their carrying amounts.

**40 Balance confirmations**

In respect of the balance confirmations sought for by the Company from its debtors and creditors, few parties have responded to the request. As such, balances in the accounts of debtors, creditors, advances and deposits are taken as appearing in the accounts and subject to confirmation and reconciliations if any.

**41 MAT Credit Entitlement:-**

Section 115JAA of the Income Tax Act, 1961 provides for tax credit in respect of MAT paid under section 115JA (hereinafter referred to as 'MAT Credit') which could be carried forward for set-off for fifteen succeeding years, in accordance with the provisions of the Income Tax Act 1961. The amount of MAT credit would be equal to the excess of MAT over normal income tax for the assessment year for which MAT is paid. The said MAT credit can be set off only in the year in which the Company is liable to pay tax as per the normal provisions of the act and such tax is in excess of MAT for that year.

The Company has paid MAT over and above normal tax assessment & such credit of Rs. 3,62,29,826 has been recognised as an asset in the books.



#### 42 Financial instruments risk management objectives and policies

The Company's activities expose it to market risks, credit risks and liquidity risks. This note explains the source of risk which the entity is exposed to and how entity manages the risk in the financial statements

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Diversification of bank deposits, credit limits and letter of credits
Liquidity risk	Borrowings and other liabilities	Availability of funded and non funded borrowing
Market risk - Foreign exchange	Payables denominated in foreign currency, receivables denominated in foreign currency, firm commitments in foreign currency.	As exposure to the Foreign exchange risk is not significant, the Company has decided not to manage it separately.
Market risk - Interest rate risk	Borrowings	As exposure to the interest rate risk is not significant, the Company has decided not to

#### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, security deposit, trade and other receivables, deposits with banks.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

Company's activities expose it to variety of market risks, including effect of changes in foreign currency exchange rate and interest rate.

#### i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	March 31, 2022	March 31, 2021
<b>Fixed rate borrowings</b>		
Term loan from banks/FI	83,858,526	120,393,049
<b>Variable rate borrowings</b>		
Loans repayable on demand	160,948,164	95,376,084

Particulars	March 31, 2022	March 31, 2021
Impact on profit before tax or equity		
Increase by 50 basis points	(1,224,033)	(1,078,846)
Decrease by 50 basis points	1,224,033	1,078,846

#### ii) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency, INR and in different foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. As exposure to the Foreign exchange risk is not significant, the Company has decided not to manage it separately.

#### Details of foreign currency exposures:

Particulars	March 31, 2022		March 31, 2021	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs
Outstanding Liability in foreign currency in respect of Creditors	€ 36,357.36	3,142,252	€ 39,582.00	3,366,022
Outstanding Liability in foreign currency in respect of Creditors	\$ 37,486.85	2,828,964	\$ (7,216.00)	(508,126)
Outstanding Liability in foreign currency in respect of Creditors	AED 743.00	14,793	AED 743.00	14,793
Advances from Customers	€ -	-	€ 11,550.00	1,015,014
Advances from Customers	\$ -	-	\$ -	-
Advances to Creditors	\$ 21,315.05	1,508,135	\$ 12,704.48	894,778
Advances to Creditors	€ 21,561.51	1,731,566	€ 47,444.90	4,067,083
Outstanding receivable in foreign currency	\$ 458,243.43	32,260,330	\$ 482,214.24	35,315,490
Outstanding receivable in foreign currency	€ 480,529.85	38,524,017	€ 501,082.21	43,074,028
Net impact due to exchange rates Receivable / (Payable) for \$	<b>442,071.63</b>	<b>30,939,501</b>	<b>502,134.72</b>	<b>36,718,394</b>
Net impact due to exchange rates Receivable / (Payable) for €	<b>465,734.00</b>	<b>37,113,331</b>	<b>497,395.11</b>	<b>42,760,075</b>
Net impact due to exchange rates Receivable / (Payable) for AED	<b>(743.00)</b>	<b>(14,793.00)</b>	<b>(743.00)</b>	<b>(14,793.00)</b>

## Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For 31 March 2022	USD	+5%	1,546,975	1,546,975
		-5%	-1,546,975	-1,546,975
	EUR	+5%	1,855,667	1,855,667
		-5%	-1,855,667	-1,855,667
	AED	+5%	740	740
		-5%	-740	-740
For 31 March 2021	USD	+5%	-1,835,920	-1,835,920
		-5%	1,835,920	1,835,920
	EUR	+5%	2,138,004	2,138,004
		-5%	-2,138,004	-2,138,004
	AED	+5%	740	740
		-5%	-740	-740

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities such as primarily trade receivables and from its investing activities, including deposits with banks and financial institutions, cash and cash equivalent and other financial instruments.

**Trade receivables**

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit exposure risk is mainly influenced by class or type of customers, depending upon their characteristics. Credit risk is managed through credit approval process by establishing credit limits along with continuous monitoring of credit worthiness of customers to whom credit terms are granted. Outstanding customer receivables are regularly monitored.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with Company's policy.

**Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft & debt from domestic at optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

**(A) Maturity patterns of borrowings -**

Particulars	0-1 years	1-3 years	3-5 years	Beyond 5 years	Total
<b>Year ended 31 March 2022</b>					
Long Term Borrowings	52,985,433	30,873,093	-	-	83,858,526
Short Term Borrowings	160,948,164	-	-	-	160,948,164
<b>Total</b>	<b>213,933,597</b>	<b>30,873,093</b>	-	-	<b>244,806,690</b>
<b>Year ended 31 March 2021</b>					
Long Term Borrowings	63,906,080	56,486,969	-	-	120,393,049
Short Term Borrowings	95,376,084	-	-	-	95,376,084
<b>Total</b>	<b>159,282,164</b>	<b>56,486,969</b>	-	-	<b>215,769,132</b>

**(B) Maturity patterns of other financial liabilities -**

Particulars	0-1 years	Beyond 1 year	Total
<b>Year ended 31 March 2022</b>			
Trade payables	130,279,557	-	130,279,557
Any other financial liabilities	138,875,154	-	138,875,154
<b>Total</b>	<b>269,154,711</b>	<b>-</b>	<b>269,154,711</b>
<b>Year ended 31 March 2021</b>			
Trade payables	103,348,342	-	103,348,342
Any other financial liabilities	117,822,057	-	117,822,057
<b>Total</b>	<b>221,170,399</b>	<b>-</b>	<b>221,170,399</b>

Note : Company is not expecting to prepay any of its liabilities.

**43 Details of unhedged foreign currency exposure-**

- a Derivative instruments outstanding as at year end: **Nil**
- b Exposures in Foreign Currency which are not hedged by derivative Instrument or otherwise:

Particulars	March 31, 2022		March 31, 2021	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs
Outstanding Liability in foreign currency in respect of Creditors	€ 36,357.36	3,142,252	€ 39,582.00	3,366,022
Outstanding Liability in foreign currency in respect of Creditors	\$ 37,486.85	2,828,964	\$ (7,216.00)	(508,126)
Outstanding Liability in foreign currency in respect of Creditors	AED 743.00	14,793	AED 743.00	14,793
Advances from Customers	€ -	-	€ 11,550.00	1,015,014
Advances from Customers	\$ -	-	\$ -	-
Advances to Creditors	\$ 21,315.05	1,508,135	\$ 12,704.48	894,778
Advances to Creditors	€ 21,561.51	1,731,566	€ 47,444.90	4,067,083
Outstanding receivable in foreign currency	\$ 458,243.43	32,260,330	\$ 482,214.24	35,315,490
Outstanding receivable in foreign currency	€ 480,529.85	38,524,017	€ 501,082.21	43,074,028
Net impact due to exchange rates Receivable / (Payable) for \$	\$ 442,071.63	30,939,501	\$ 502,134.72	36,718,394
Net impact due to exchange rates Receivable / (Payable) for €	€ 465,734.00	37,113,331	€ 497,395.11	42,760,075
Net impact due to exchange rates Receivable / (Payable) for AED	(743.00)	(14,793.00)	(743.00)	(14,793.00)

**44 CSR Schedule**

Particulars	Amount ₹
Total amount unspent carried forward from last year	2,451,824
Total amount required to be spent during the current year	-
Eligible CSR Expenditure	570,860
Shortfall at the end of the year*	1,880,964
Total of previous year shortfall	2,451,824

\*Due to the unprecedented pandemic of COVID-19 which resulted in persistent lockdowns and restrictions on mobility, your Company was unable to execute projects as planned. The Company has planned for long-term projects of rural development and shall be carried out during the next financial year.

**Nature of CSR Activities**

Party Name	Nature of expense	Amount ₹
a) Jehangir Hospital, Pune	Covid Vaccination Programme of beneficiaries from Mangrul village	306,000
b) Bharati Hospital, Pune	Covid Vaccination Programme of beneficiaries from Mangrul village	264,860
<b>Total ₹</b>		<b>570,860</b>

## 45 Disclosure for computation of Deferred Tax Assets/Deferred Tax Liabilities as Per "Ind AS 12"

## (a) Major components of income tax expense a on 31 March 2020, 31 March 2021

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Statement of Profit &amp; Loss section</b>		
Current income tax	-	-
Short/(Excess) of earlier years	-	(1,151,418)
<b>MAT credit entitlement</b>	-	-
<b>Deferred Tax</b>		
Relating to obligation & reversal of temporary differences	7,165,293	16,028,954
<b>Income tax expense reported in Statement of Profit &amp; Loss</b>	<b>7,165,293</b>	<b>14,877,536</b>
<b>OCI section</b>		
Deferred tax related to items recognised in OCI during the year		
Deferred tax net (gain)/loss on actuarial gains & losses	255,388	65,050
<b>Income tax charged to OCI</b>	<b>255,388</b>	<b>65,050</b>

## (b) Reconciliation of actual income &amp; effective tax income

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Accounting profit/(Loss) before tax	(45,573,530)	(61,923,432)
<b>Income Tax</b>	-	-
<b>Tax effects on adjustments which are not deductible/(Taxable) in calculating taxable income</b>		
Tax of earlier years	-	(1,151,418)
MAT credit entitlement	-	-
Items which are not deductible/(Taxable) in calculating taxable income	7,165,293	16,028,954
<b>Income tax expense reported</b>	<b>7,165,293</b>	<b>14,877,536</b>

## (c) Deferred tax related to following

Particulars	March 31, 2022	March 31, 2021
	₹	₹
Property plant & Equipment	(113,210,031)	(110,753,855)
Disallowances under Sec 43B of Income Tax Act	1,625,686	4,017,779
Unabsorbed losses	96,301,494	84,543,320
<b>Total</b>	<b>(15,282,850)</b>	<b>(22,192,755)</b>

Particulars	Movement in deferred tax	
	March 31, 2022	March 31, 2021
Property plant & Equipment	2,456,176	2,927,562
Disallowances under Sec 43B of Income Tax Act	2,392,093	(240,891)
Unabsorbed losses	(11,758,175)	(18,650,574)
<b>Total</b>	<b>(6,909,905)</b>	<b>(15,963,903)</b>

## Breakup of Movement in Deferred Tax Liability

Particulars	March 31, 2022	March 31, 2021
	₹	₹
<b>Opening balance</b>	<b>(22,192,755)</b>	<b>(38,156,658)</b>
Tax expense during the year recognised in statement of Profit & Loss	7,165,293	16,028,953
Tax expense during the year recognised in OCI	(255,388)	(65,050)
<b>Closing balance</b>	<b>(15,282,850)</b>	<b>(22,192,755)</b>

Company Offsets tax assets & tax liabilities if & only if has legally enforceable right to set off current tax assets & current tax liabilities & the deferred tax assets & deferred tax liabilities relate to income taxes levied by same tax authority

**Breakup of Movement in Deferred Tax Liability**

Particulars	Tax Rate %
Income tax rate	25.00
Surcharge	1.75
Health & Education cess	1.07
<b>Effective</b>	<b>27.82</b>

The Company is certain to recover the DTA recognised against unabsorbed losses based on projected sales turnover over 5 years.

**46 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested any amount in Crypto currency or Virtual Currency during the financial year ended 31st March 2022. The company does not hold any Crypto or Virtual currency as at the reporting date.

No deposit or advance from any person for the purpose of trading or investing in Crypto currency or Virtual currency was received by the company.

**47** As per Section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.**48** During the year the Company is not declared wilful defaulter by any bank or financial institution or other lender.**49** The Indian Parliament has approved the Code on Social Security, 2020, which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules under the Code are notified and will give appropriate effect to the same in the financial statements when the code becomes effective.**50 Information about business segments**

The Company is operating in one segment only i.e. Sintered Metal Components & Auto Components.

**51 Previous Year Figures**

The previous year figures have also been reclassified to conform to this year's classification.

As per our attached Report of even date  
For M/s Kirtane & Pandit LLP  
Chartered Accountants  
Firm Registration No. 105215W/W100057

\_\_\_\_\_  
Parag Pansare  
Partner  
Membership No. 117309

Pune, 27<sup>th</sup> May, 2022

For and on behalf of the Board of Directors

\_\_\_\_\_  
Jignesh Raval  
Managing Director  
DIN: 01591000

\_\_\_\_\_  
Hari Nair  
Chairman  
DIN: 00471889

\_\_\_\_\_  
Pankaj Bhatawadekar  
Chief Financial Officer

\_\_\_\_\_  
Anuja Joshi  
Company Secretary  
Membership No.  
A32971

Pune, 27<sup>th</sup> May, 2022

# EVENTS

## PLANTATION DRIVE





SINTERCOM India Limited  
(Previously known as Sintercom India Private Limited)  
Regd. Office: Gat No. 127, At Post Mangrul, Tal. Maval,  
Talegaon Dabhade, Pune 410 507 (India)  
CIN: L29299PN2007PLC129627  
Tel. (D): +91 20 4852 2679

[info@sintercom.co.in](mailto:info@sintercom.co.in) | [www.sintercom.co.in](http://www.sintercom.co.in)